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TODAY: MONEY Japan's Big Bang Deregulation

Hussein Accuses Netanyahu of Betraying Him

Only U.S. Efforts Can Prevent Collapse of Israeli-Palestinian Peace Talks, Monarch Asserts

By John Lancaster
Washington Post Service

AMMAN, Jordan — Infuriated by the recent Israeli attempt to kill a Hamas political figure here, King Hussein of Jordan says that his trust in Israel's prime minister, Benjamin Netanyahu, has all but evaporated and that only a much more vigorous diplomatic effort by the United States can prevent the collapse of Arab-Israeli peace negotiations.

In an interview, the Jordanian monarch accused Mr. Netanyahu of repeatedly betraying him, most recently and most audaciously by sending Mossad assassins on a botched mission to poison the Hamas political bureau member, Khaled Meshal, in Amman in September.

King Hussein also faulted the United States for the deterioration in Arab-Israeli relations, urging Washington to play a much more active role in pressing Israel to abandon policies such as building settlements in the West Bank that he says are pushing the region toward an "explosion."

"The United States, with its tremendous influence and impact on this area and all the people of the region, and its position in the world, should move from being a messenger to being actively involved," King Hussein said. "It just cannot carry on continuing to deliver messages from one side to another."

The comments Thursday by King Hussein, one of Washington's closest Arab allies, constitute a challenge to Secretary of State Madeleine Albright, who said during a tour of the region in mid-September that she would not return until Israel and the Palestinians demonstrated a greater commitment to peace.

They also reflected his sense of betrayal: Alone among Arab leaders, and despite intense political opposition at home, he has pursued normal, friendly relations with Israel, with which Jordan made peace in 1994.

In somber and at times despairing tones, the king said he had virtually run out of ideas on how to deal with the rightist Israeli leader. He accused Mr. Netanyahu of repeatedly breaching commitments to his Arab negotiating partners and pandering to extremist elements in Israel's body politic. Far from enhancing Israel's security, he said, such tactics are fanning the flames of Arab radicalism and could lead to a new "balance of fear" between Israel and hostile neighbors armed with weapons of mass destruction.

"It was an act against Jordan itself, its integrity and its sovereignty, and the results were devastating to the trust we had built so far," King Hussein said of the Sept. 25 assassination attempt against Mr. Meshal. "I really feel puzzled. I really don't know what Prime Minister Netanyahu had in mind. It seems to me as if the intention is to destroy the foundation of what has already been created."

King Hussein cautioned that he was not abandoning Jordan's policy of "normalization" with Israel. The two countries are continuing discussions on issues such as water rights, tourism and trade.

The desert kingdom of 4 million people, more than half of them Palestinian, is one of the few Arab states that has committed itself publicly to sending delegates to a U.S.-sponsored economic conference in Qatar toward the end of November. Israel also will attend.

"If we cannot in certain areas see any real tangible progress, it doesn't mean that we close the doors and go back to square one," he said. "Normalization is normal. I don't know how anyone can describe it as something negative."

But King Hussein also made clear that he was increasingly inclined to draw a distinction between Mr.

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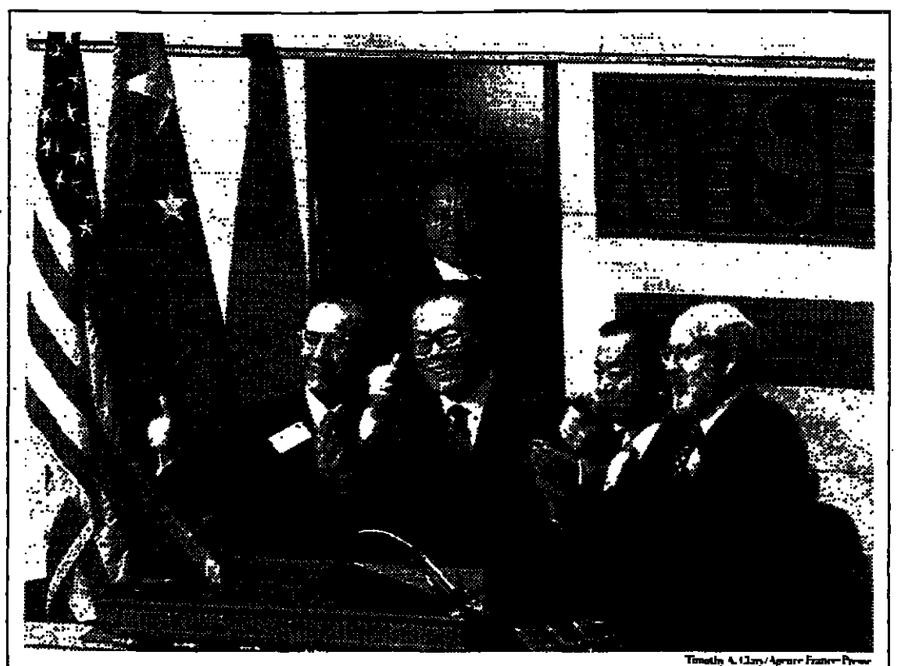

Timothy A. Clary/Agence France-Presse

Mr. Jiang, center, giving the thumbs up after he rang the bell Friday to start stock trading.

Jiang Plays the Market in N.Y.

Compiled by Our Staff From Dispatches

NEW YORK — President Jiang Zemin rang the bell at the New York Stock Exchange on Friday to signal a full day of New York activities that exposed the Chinese president to American capitalism's monuments, leaders and opportunities.

Brokers and clerks on the exchange floor mostly cheered, but there were some scattered boos for Mr. Jiang, who stood on a balcony overlooking the floor with officials of the exchange at his side. The balcony was draped with the flags of the United States and China.

Jiang's visit is evidence of how China has replaced Russia amid U.S. concerns. Page 3.

Before the opening, Mr. Jiang shouted "good morning" to traders. After ringing the bell, he strolled briefly around the floor and then left for his next engagement of a busy schedule in which he spent most of the day with the business leaders.

"We are deeply gratified that he has chosen to come to the NYSE and ring the opening bell," said Richard Grasso, chairman of the exchange.

Mr. Grasso and the heads of such corporate and financial giants as Philip Morris, Ford and Goldman Sachs heard Mr. Jiang's top economic aides say that privatization was going forward in China.

"We are trying to build a safe and modern and efficient financial system," said Zeng Peiyan, deputy chairman of state planning.

Several groups, including Tibetan independence activists, protested Mr. Jiang's visit.

About 300 people demonstrated near the stock exchange building, waving the flag of Tibet and carrying banners denouncing China's policy against dissenters within the Communist system. Mr. Jiang has dismissed reports that China was repressing the people of the Himalayan enclave of Tibet, where a popular uprising was crushed in 1959.

Mr. Jiang's visit "is an indication of the corporate world and the free world at large just not caring about this issue," said Michele Pitcher, one of the pro-

See JIANG, Page 4

Stopping By to Talk With an Exile

By John Pomfret
Washington Post Service

PHILADELPHIA — Sun Yufong contracted liver disease in Shanghai in 1967 during the height of the Cultural Revolution. Once one of the wealthiest men during China's gilded age of capitalism before World War II, he died poor, bereft of his fortune, banks and homes, and denied medical care by the Communist government because of his "bad class background."

Sun Yufong's son came to the United States almost 50 years ago and is now an aged engineering professor at Drexel University in Philadelphia. At Drexel, he was the mentor to the son of Jiang Zemin, who now is president of China.

On Thursday, Mr. Jiang came to visit. It was a quiet collision of two Chinese worlds. Mr. Sun, 72, apologized for never having returned to China. Mr. Jiang, 71, asked him to come back soon.

Apart from a parent's interest in meeting his child's favorite teacher, the encounter illustrated an important but understated goal of Mr. Jiang's seven-city tour of the United States. Overseas Chinese are seen by China both as a critical resource in improving ties with the United States and as a powerful source of nonviolent pressure on Taiwan, the island 160 kilometers (100 miles) off the coast of southern China that Beijing regards as a renegade province.

Mr. Jiang plans to meet with overseas Chinese and their organizations at almost every stop of his tour in a marked break with previous state visits to the United States by the Chinese leaders Deng Xiaoping and Li Xiannian. The Committee of 100, a group of Chinese Americans formed in 1990, will be host to two lunches — one on each coast. And Chinese traveling with Mr. Jiang say he is considering staying an extra night in the United States to attend an event in Monterey Park, California, a predominately Chinese suburb of Los Angeles.

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Indonesia to Get Aid of $23 Billion

IMF Deal, Linked to Reforms, Aims to Reassure the Markets

By Michael Richardson
International Herald Tribune

SINGAPORE — The Indonesian government and the International Monetary Fund agreed Friday on an emergency economic-stabilization package for Indonesia that will be backed by loans of at least $23 billion, provided that Jakarta carries out wide-ranging reforms.

Officials said that the scale of the program — which could increase to about $30 billion as further contributions are made — and the involvement of the United States in the loan arrangements were intended to send a reassuring message to fragile financial markets elsewhere, especially in Asia and Latin America.

"These measures should restore confidence in the Indonesian economy and contribute to the stabilization of regional financial markets, and I hope beyond," the IMF's managing director, Michel Camdessus, said in Washington.

In return for the money, Indonesia said that it would reform its shaky banking and financial sector; scrap government import monopolies, including both subsidies and taxes, on food items such as wheat, flour and soybeans; end controls on cement prices; reduce several import tariffs, and remove impediments to exports, including taxes.

In Washington, the United States confirmed Friday that it was offering $3 billion as a back-up credit to Indonesia, the first direct American financial contribution to restore financial stability in Southeast Asia.

["We don't expect that Indonesia will need to draw on our direct help," one administration official in Washington told The New York Times. "But what we need to address here is an atmosphere of contagion" that has already spread in the form of extraordinary instability to currency and stock markets around the globe.]

Asia's currency turmoil takes its toll on Latin America. Page 11.

Some analysts said that the austerity measures promised by Jakarta after tough negotiations with the IMF in the past two weeks could spark social unrest in Indonesia.

They said that many Indonesians would be struggling to make ends meet as unemployment and inflation rose and

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Life Sentence for Au Pair Leaves Britons in Shock

By Tom Buerkle
International Herald Tribune

LONDON — Britons reacted with shock and disbelief on Friday to the murder conviction of a 19-year-old English au pair in a Massachusetts court, a verdict that to many people here demonstrated serious flaws in a harsh and vindictive American justice system.

Callers deluged the switchboard at the U.S. Embassy here to protest the guilty verdict against the au pair, Louise Woodward, which was handed down late Thursday. Friends in her hometown of Elton in northwest England vowed to support Ms. Woodward and her family through a long appeals process.

Judge Hiller Zobel sentenced Ms. Woodward to life in prison Friday for the death of 8-month-old Matthew Eappen. The sentence, which was mandatory, requires her to serve 15 years before becoming eligible for parole.

Ms. Woodward, who denied the prosecution's charge that she shook the infant violently and slammed his head out of frustration to make him stop crying, addressed the court in a trembling voice. "I'd just like to maintain my innocence and say I never hurt Matty, and I don't know what happened to him," she said. "I'm not responsible for this death."

But American prosecutors said evidence that Matthew was a victim of child abuse was clear.

"This case wasn't really a close call before it got into the courtroom," said the prosecutor, Martha Coakley. "The jury was able to see through the medical evidence that this child had been harmed."

On Thursday evening, Ms. Woodward broke down in sobs when the jury delivered its verdict after deliberating for 27 hours over three days. "I didn't do anything!" she cried. "Why did they do that to me?"

It was a dramatic climax to a televised trial that generated enormous attention on both sides of the Atlantic. In Britain, it was portrayed as a small-town English teenager accused of a heinous crime in a big American city.

The prosecution's case relied on doctors who treated the baby and testified that medical and autopsy reports showed his injuries were caused by his head being violently shaken and slammed against a hard surface.

Prosecutors contended Ms. Woodward was frustrated with the fussy infant and a job that hampered her social life. Police officers also testified that Ms. Woodward told them she had been "a little rough" with Matthew, a statement she denied making.

Medical experts called by the defense claimed the fatal head injury occurred weeks before the infant lost consciousness, creating a reasonable doubt in the minds of most Britons over Ms. Woodward's guilt.

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Stephen Jaffe/Reuters

Louise Woodward, the British au pair, talking to the judge Friday.

U.S. Exporters Excel Despite the Dollar's Rise

By Louis Uchitelle
New York Times Service

NEW YORK — As the dollar strengthened this year, Ronald Bullock, president of Bison Gear & Engineering Co. near Chicago, raised his prices in francs and Deutsche marks for the metal transmission gears that he exports to Europe. But his customers stuck with him, drawn by Bison Gear's new willingness to custom-design the gears — similar in shape to bicycle sprockets — for each factory machine whose speed they regulate.

Bison's exports have risen, despite the sticker shock.

"We hire a lot more engineers today than we ever have before to do this custom-designing," Mr. Bullock said.

Stories like these proliferate among American manufacturers.

Added together, they explain why a long-standing economic maxim — that a nation's exports begin to fall after its currency has risen in value for 18 months or so — has failed to kick in during the current strengthening of the dollar, which began two years ago.

American business has responded much more than in the early 1980s, the last time the dollar moved up sharply. This time companies have cut costs, shaved prices, developed products, sold harder. The unexpected export vigor has added significantly to the nation's sales, here and abroad, and has bolstered the economy, helping to prolong the expansion into its seventh year. Merchandise exports totaled $447.5 billion through August, 11 percent ahead of last year.

"American manufacturers have managed to export against the odds," said Wynne Godley, an economist at the Jerome Levy Institute, a research group. At the same time, however, the robust dollar makes it easier and less costly for America's trading partners to export more to this country, and they are doing just that. Despite the rapid growth in U.S. exports, foreign companies are selling more in the United States than American businesses sell abroad. The turmoil in Southeast Asia, where currencies have fallen sharply against the dollar, will only increase these sales to America.

The merchandise trade deficit, as a result, has widened considerably in recent years, even surpassing the record level reached a decade ago. But in contrast to the furor that the trade gap created then, it is greeted today almost with indifference. (Page 11)

"The difference is really in the perception," said C. Fred Bergsten, director of the Institute for International Economics. "People no longer think it is a reflection of some underlying weakness in American competitiveness."

Allied Signal Inc. offers one explanation for why exports are rising even while the dollar strengthens. Airline travel is booming everywhere, and Allied is a big exporter of engines and parts for commercial aircraft. Demand is

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AGENDA

Irish Election Conceded to McAleese

The main opposition candidate in the Irish presidential election conceded defeat Friday and as the government candidate, Mary McAleese, appeared assured of winning.

"I congratulate Mary McAleese on her victory," Mary Banotti said ahead of the official confirmation of the results of Thursday's vote.

Mrs. McAleese was the candidate of Ireland's governing coalition of the Fianna Fail and Progressive Democratic parties. She would be the first person from Northern Ireland to hold the largely ceremonial post.

Earlier article, Page 2.

Chemical Arms Pact

The lower house of the Russian Parliament ratified on Friday the Chemical Weapons Convention, a global pact banning the production and use of chemical weapons, while at the same time acknowledging that Russia could not afford to carry out the convention's provisions. Page 4.

The Dollar		
New York	Friday @ 4 P.M.	previous close
DM	1.725	1.717
Pound	1.6735	1.6705
Yen	120.40	120.025
FF	5.777	5.7595

The Dow		
	Friday close	previous close
+60.41	7442.08	7381.67

S&P 500		
change	Friday @ 4 P.M.	previous close
+10.94	914.62	903.68

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The IHT on-line www.iht.com

Raul Salinas Professes His Innocence

Brother of Former Mexican President Speaks Out From a Cold Prison Cell

By Julia Preston and Peter Truell
New York Times Service

MEXICO CITY — When his brother was president of Mexico, Raul Salinas de Gortari lived the high life, enjoying the thoroughbred horses, fast cars, and luxurious houses readily available to someone who could deposit more than $100 million in Swiss bank accounts.

Now, after spending much of the last three years in a cramped, frigid cell in Mexico's harshest prison, Mr. Salinas says that he amassed his fortune legitimately, but acknowledges that he did it by seizing the "huge opportunities" for business deals afforded a sibling of Mexico's leader.

In his first extensive interview with a foreign publication since he was jailed in February 1995, on suspicion of murder, Mr. Salinas vigorously denied the homicide charges as well as allegations that he was paid by Mexico's drug barons to protect their business. He also provided new details of how two American financial institutions, Citibank and Bankers Trust, handled his money.

Mexican authorities do not allow Mr. Salinas to meet directly with reporters. So one day recently, the man who has become a symbol to many Mexicans of the venal abuse of political power, sat down with a ballpoint pen and white pad of paper. He responded with 10 pages of replies to written questions from The New York Times.

"I always have had private business, and when you are the brother of the president of Mexico, many huge opportunities come to you, as happened to me," wrote Mr. Salinas, the eldest brother of Carlos Salinas de Gortari, whose term in office ended in late 1994. "There was no need for me, with the position I had, to get involved with drug dealers."

One opportunity, he said, arose in 1993 when the Mexican government sold a leading television network to private investors for $641 million. Raul Salinas confirmed that he loaned the lead investor $30 million around the time of the sale because he was certain he would make a profit and it would be "a good one."

The interview was arranged by Stanley Arkin, Mr. Salinas's New York-based lawyer. Mr. Arkin also set up several hours of conversations with members of Mr. Salinas's immediate family who live in Mexico, including his father and three of his siblings.

The siblings — Adriana, who is 47 and runs a publishing company; Enrique, 44, a civil engineer; and Sergio, a 43-year-old sociologist — criticized their brother Raul for making "stupid mistakes" and misusing privileges that came to him as a result of his brother's presidency. But they adamantly denied that anyone in the Salinas family had any role in drug trafficking or theft of government money.

Defending Raul Salinas and protesting his imprisonment, the Salinas clan gathered in the elegant Mexico City

See MEXICO, Page 4

Newsstand Prices			
Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1.600 CFA	Qatar	10.00 QR
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1.100 CFA	Senegal	1.100 CFA
Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1.250 CFA	Tunisia	1.250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

McAleese Headed for Irish Victory

She'd Be First From Ulster To Hold Presidential Post

Reuters

DUBLIN — Mary McAleese, a Belfast lawyer, was headed Friday for clear victory in the Irish presidential election.

Early trends ahead of the first confirmed results bore out opinion poll predictions that the government candidate was poised to win the ceremonial job.

RTE, the broadcasting network, said that four hours after counting began, Mrs. McAleese was the top vote-getter in almost all of the counting centers.

According to early tallies, "it looks as though government candidate Mary McAleese will be the next president of Ireland," RTE reported.

It said Mrs. McAleese was heading the poll in front of Mary Banotti, a member of the European Parliament and member of the opposition Fine Gael.

An exit poll as voting ended on Thursday gave Mrs. McAleese a 17-point lead over Ms. Banotti, backing up pre-election surveys that she was the front-runner.

Observers said Mrs. McAleese could be elected on the second count after the elimination of weaker candidates. Early estimates had the singer Dana, whose real name is Rosemary Scallon, in third place, with an anti-nuclear candidate, Adi Roche, and a former policeman, Derek Nally, trailing.

Morning newspapers said Mrs. McAleese was on course to succeed Mary Robinson, who resigned in September before completing her seven-year term to become the United Nations high commissioner for human rights.

"McAleese is expected to emerge victor this evening," the Irish Times said. "Victory likely on second count." The Examiner said.

The forecasts followed an exit poll for RTE, which indicated that Mrs. McAleese held 46 percent of first-preference votes to 29 percent for Ms. Banotti.

Mrs. McAleese 46, is a devout Roman Catholic and nationalist from British-ruled Northern Ireland.

She is the candidate of Ireland's ruling coalition Fianna Fail and Progressive Democratic parties.

The presidency was a largely ceremonial post that Mrs. Robinson transformed into a high-profile job.

■ Hillary Clinton Remembers

Hillary Rodham Clinton urged politicians in Northern Ireland on Friday to follow the commonsense example of a Belfast homemaker and sort out their troubles over "lots of tea," The Associated Press reported from Belfast.

Mrs. Clinton arrived in Belfast to encourage Northern Ireland's peace negotiations.

Her remarks paid tribute to Joyce McCartan, a peace worker, whom Mrs. Clinton had met during a visit nearly two years ago. Mrs. McCartan died of natural causes two months later.

Truckers' Strike Might Reach Wide, France Tells EU

Reuters

PARIS — France told its European neighbors Friday that French truck drivers might begin a strike soon that could bring chaos to the roads and disrupt industry and agriculture in many parts of the Continent.

"The countries of the European Union and others with traffic accords with France have been informed of the threat that the current state of negotiations presents," said a Foreign Ministry spokesman, Jacques Rummelhardt. He spoke after talks broke off but before a new meeting of employers and unions was scheduled in an effort to avert the strike, which is scheduled to start at 10 P.M. on Sunday.

Truck drivers are planning to erect about 180 roadblocks across the country. Ports, major crossroads and borders are among the likely targets, along with oil refineries.

Employers have been proposing an immediate 5 percent wage increase for drivers, and then gradual increases to 120,000 francs ($20,800) in the year 2000. But the unions want the increases on a monthly basis, not annual, and they want the raises to apply to more drivers.

The French CFDT trade union said sympathy protests by railroad workers could not be ruled out if the authorities used force to counter a strike.

Radio stations said French motorists, recalling similar disruptions a year ago, were lining up at gasoline stations, fearful fear that truckers would blockade oil refineries, as they did then.

Wine producers were said to be hurrying supplies of Beaujolais Nouveau wine to merchants to beat the strike.

The leader of the truck drivers union, Roger Poletti, said: "I'm convinced that, if there unfortunately is a blockade, we'll see squads of riot police arrive Sunday morning around 4 or 5 o'clock at the refineries to make sure they can be supplied."

Talks between the two sides broke off early Friday morning, with employers accusing unions of making "intolerable insults" and unions accusing bosses of turning their backs on negotiations.

A 12-day strike last year paralyzed France, causing millions of dollars' in losses to gasoline stations, farmers and truckers across Europe.

Gloom about a possible strike has spread beyond France's borders. The Spanish government said it feared that the action could have "irreparable consequences" for its fruit and vegetable producers. It has asked Paris to ensure that Spanish shipments not be targeted. British truckers have also expressed concern.

The European Commission has asked for corridors to be established to allow the free passage of goods.

Last year, the automobile industry was among the worst casualties of the strike.

If the strike does materialize, it will be the first high-profile crisis that France's Socialist government has had to confront since it took office in June.

Trial of Papon Reopens With History Lesson

By Anne Swardson
Washington Post Service

BORDEAUX — The war crimes trial of Maurice Papon resumed Friday after a weeklong hiatus, and for the first time, France itself was in the dock. The chief accuser: an American.

Until now, the trial of Mr. Papon, a former high regional official in the collaborationist Vichy government, has been centered on the defendant. He is accused of signing orders that sent more than 1,500 Jews to death camps.

For three weeks, the events here have focused on the health of the 87-year-old Mr. Papon, who is recovering from a bronchial infection, his efforts to find a place to stay, and his character.

But much of the advance billing for this trial, only the second of a former Vichy official, had predicted that the wartime role of all of Vichy France would also be in the dock.

That phase opened Friday as Robert Paxton, a retired Columbia University professor who is one of the world's leading experts on the Vichy government, told the court repeatedly that Vichy officials acted to exterminate Jews on their own, not under orders from the Nazis.

Mr. Paxton's research, which led to the publication of three books and caused a furor in France with the publication of the first French translation in 1973, did not include Mr. Papon's alleged activities. Rather, Mr. Paxton was called by the prosecution to educate the jury. The average age of the jury is under 30; the foreman is 25.

Older French were not aware of the extent to which the government of the Vichy zone in southern and eastern France carried out the Germans' agenda because it was covered up for years. President Charles de Gaulle saw no use in admitting that French men and women served any wartime cause other than the Resistance. His successors, up to and including Francois Mitterrand, agreed.

Fabien Cottereau/Reuters

Maurice Papon leaving the hospital Friday to attend his war crimes trial.

The student generation that rioted in the streets in May 1968 took Mr. Paxton's book, the first major work to expose the true extent of Vichy treatment of Jews, to heart. But young members of French society today seem less attuned.

If the jury was not already aware of the extent to which Vichy officials first deprived Jews of their jobs and property, then later shipped 76,000 of them on train convoys to the death camps of Poland, Mr. Paxton made it clear.

The regime gave the Germans "all the means it needed to dispose of Jews," he said. With only a few tiny exceptions, he said, Vichy France was the only place in Europe where Jews were rounded up and deported by nationals, rather than by Germans.

That included both French Jews and refugees, of which France had plenty after Hitler's invasions of one Eastern European country after another in the late 1930s.

Asked if the Vichy government could have been trying to save any of the deportees — only 2,500 of the 76,000 sent from France returned — Mr. Paxton said he saw no such evidence. Mr. Papon's defense is that he was secretly a member of the Resistance who was trying to save Jews. Mr. Paxton was asked another question that indirectly related to Mr. Papon, who plans to say he was only following orders. Asked if Vichy officials could resign their posts without fear for their safety rather than carry out deportation orders, Mr. Paxton cited two cases of officials who had refused to act against Jews and had only been required to retire as a result.

Mr. Papon, who had been hospitalized for nearly a week, arrived at the trial sitting in an ambulance, wearing a long scarf. In the courtroom, in a gray suit, blue sweater and no scarf, he looked very pale, but focused intently on the debates.

Asked at the end of the questioning of Mr. Paxton if he wished to ask the witness anything, Mr. Papon stood and said: "History is a very fluid material, hard to get a hold of. A document can be read several different ways."

Mr. Paxton was treated as a media celebrity, followed by a dozen television cameras as he entered and left the courtroom here. He said in an interview after his court appearance that all the attention seemed to be a symbol of "something deep and irrational going on" as France watches the trial.

But, as Mr. Papon's defense lawyer pointed out in court, Mr. Paxton's book "Vichy France" closes with a question: What would each one of us have done in similar circumstances?

"I'm not sure I wouldn't have done the same," Mr. Paxton said.

Swiss Bank Aids Victims Of Holocaust

Compiled by Our Staff From Dispatches

BERN — Switzerland's central bank said Friday that its bank council had approved paying 100 million Swiss francs into a memorial fund for needy Holocaust survivors and their families.

The money will be paid into the account, set up by big Swiss commercial banks and other private businesses, on Nov. 3, the Swiss National Bank said.

"The contribution is a gesture of humanity in the context of the debate on Switzerland's economic and financial relations during the Second World War," a statement issued by the bank said.

The National Bank contribution will bring the total of the fund to 280 million Swiss francs ($199 million).

The government, meanwhile, said Friday that a planned 7 billion Swiss franc "solidarity" fund should look to the future rather than focusing primarily on aiding Holocaust victims. But Finance Minister Kaspar Villiger added, "Of course, the fund also will be open to projects that concern the Holocaust."

He spoke as the government endorsed a plan that would put the emphasis on preventing poverty and improving opportunities for young people. It also would try to resolve conflicts, combat genocide and rebuild shattered communities, as well as aid victims, said the plan produced by two groups of experts. The money is to be used equally inside and outside Switzerland.

■ Germany Balks at Reparations

The German government said Friday that it would not comply with a Greek court ruling ordering it to pay a Greek village $32 million in World War II reparations, Reuters reported from Bonn.

Bonn's rejection was a new blow to Greek citizens' attempts to obtain individual compensation for suffering in the 1941-1944 German occupation. A court in Livadia ordered the payment to Distomo, where 214 people were executed by German soldiers in 1944.

"The cases before Greek courts, in which the claims of Greek individuals are being heard against Germany because of events during World War II, do not conform with international law," a government spokesman said.

(Reuters, AP)

BRIEFLY

'Mad Cow' Case Found in Belgium

BRUSSELS — Traces of "mad cow" disease were detected in a Belgian animal in the first case to be reported in the country, Belgium's agriculture minister, Karel Pinxten, said Friday.

The cow was from a small farm in the southern province of Namur, he said. It had been killed after showing signs of a nervous illness, and investigations in Belgium and Britain showed it had the brain-wasting disease.

Thirty-three animals from the same farm have been put into quarantine and will be destroyed. The brains of the 14 adult cows will be examined for the presence of the disease, bovine spongiform encephalopathy.

Although the presence of the disease was a blow to Belgium's beef sector, measures to ensure that the meat would not enter the human food chain had worked well, Mr. Pinxten said. *(Reuters)*

Stalemate in Bonn On Climate Talks

BONN — A United Nations-sponsored conference to combat global warming in the next century ended Friday with progress stalled by the failure of Europe and the United States to break a stalemate over strategy.

The 10-day conference in Bonn was intended to clear the way for a world-wide agreement on restricting future emissions of greenhouse gases, seen as a cause of global warming, at a summit in Kyoto in December. It took place despite wide differences between American and European negotiators on how deeply emissions need to be curbed past the year 2000, with targets proposed by Europe much stricter than those suggested by Washington.

"The European Union and U.S. positions are still very different, said Raul Estrada-Oyuela, the Argentine diplomat who was chairman of the Bonn talks. *(Reuters)*

At Least 14 Killed In Storm in Azores

LISBON — At least 14 people were killed and many were missing after a freak storm lashed the Portuguese Azores Islands on Friday, a senior government official said.

Rains triggered mudslides that rushed through the village of Ribeira Quente on the island of Sao Miguel shortly before dawn, burying houses.

The mayor of the nearby town of Povoacao, Carlos Avila, told TSF radio that 14 people had been killed and as many as 25 were missing after the storm struck.

"A large part of the village has simply disappeared and with it many people, people that I knew," Mr. Avila told TSF. The Lusa news agency reported the number of missing as 17 and said that seven people had been pulled out from under collapsed buildings and flown to hospitals. *(Reuters)*

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Australia	1800125944	Belgium	080015880	Brazil	0008119215513
Colombia	980120837	Denmark	80016132	Finland	08001110064
France	0800902248	Greece	080018213013	Germany	0130829656
Hong Kong	800957209	Israel	1771000102	Italy	167875928
Japan	0031126609	Korea	0038110243	Luxembourg	08004552
Mexico	9588087841?8	Netherlands	0800220657	N. Zealand	0800441880
Portugal	0501128832	Singapore	8001202501	S.Africa	0800996337
Spain	900931007	Sweden	020793158	Switzerland	0800897233
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TRAVEL UPDATE

Hotel George V Closes for Update

PARIS (AFP) — The prestigious Hotel George V closed Friday for a year of repairs designed to bring its stately grandeur up to date.

The owner of the hotel, Prince Waleed ibn Talal, who used to stay there as a child and is a nephew of King Fahd of Saudi Arabia, is putting 300 million francs ($52 million) into the renovation.

Room rates, which now average 2,000 francs a night, will rise to 3,000 francs once the establishment has put in a pool and gymnasium, modernized the bathrooms and equipped the suites for communication by fax and computer use. The Aubusson tapestries will remain in place.

Bucharest Landmark Reopens

BUCHAREST (Reuters) — Romania's most famous hotel, the Athenee Palace, riddled with bullets and damaged by fire in the 1989 revolution, has reopened as a Hilton hotel, after a $50 million face-lift.

"This is the first hotel opened by Hilton in Bucharest, and with a Hilton management," said Robert Frigiere, the general manager of the Athenee Palace.

He said it had taken three years to return the 272-room hotel to its former glamor.

It is Romania's only five-star hotel.

Civil Aviation officials in Vietnam said Friday that dozens of abandoned wartime airstrips would be repaired and bought back into service over 13 years under a $6 billion program to meet growing air-traffic demand. *(Reuters)*

Correction

A Bloomberg News dispatch in Thursday's editions incorrectly stated that Japan Airlines Co.'s earnings had risen in part because of lower jet fuel costs and that the company expected profit of 1 billion yen for the year. In fact, jet fuel prices have risen, and the airline's profit forecast is 18 billion yen.

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.

North America
Stormy with wind-driven rain from New England to Newfoundland Sunday and Monday, while the mid-Atlantic region will be cloudy and windy with showers. Windy and colder in the Midwest with showers of rain and snow. Sunny, dry and warm in the Southwest through Tuesday.

Europe
Cold with snow and flurries in northern Scandinavia and northwestern Russia Sunday through Tuesday. Soaking rains Sunday in northern Spain will shift northeast to England by Tuesday. Cool but dry in central and southeastern Europe, but turning warmer across southern France.

Asia
Dry and cool with some sunshine in Tokyo Sunday and Monday, then a bit milder Tuesday. Korea will also be cool with some sun, but it may shower Monday. Showers are likely in Beijing Sunday, then milder Monday; cool and dry Tuesday. A band of soaking rain will be across southeast China.

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather.

All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	29/71	16/61 pc	21/70	17/62 r
Amsterdam	11/52	6/43 s	11/52	7/44 pc
Ankara	12/53	3/37 pc	14/57	0/32 pc
Athens	19/64	13/55 c	19/64	13/55 pc
Barcelona	15/59	9/48 s	19/64	13/55 pc
Belgrade	12/53	2/35 s	14/57	4/39 s
Berlin	11/52	4/39 s	12/53	6/43 c
Brussels	11/52	6/43 s	12/53	7/44 pc
Budapest	10/50	2/35 s	11/52	4/39 s
Copenhagen	10/50	7/44 c	8/46	3/37 pc
Costa Del Sol	23/71	14/57 pc	23/71	16/61 sh
Dublin	12/53	11/52 sh	13/55	8/46 c
Edinburgh	13/55	6/43 sh	11/52	6/43 pc
Florence	13/55	9/48 sh	16/61	9/48 c
Frankfurt	11/52	3/37 pc	9/48	3/37 c
Geneva	11/52	6/43 sh	13/55	7/44 sh
Helsinki	7/44	-3/27 r	-0/29	-6/18 pc
Istanbul	15/59	7/44 s	13/55	8/46 sh
Kiev	7/44	1/34 pc	8/46	1/34 pc
Las Palmas	29/79	21/70 pc	29/79	21/70 c
Lisbon	19/66	16/61 pc	20/68	16/61 r
London	12/53	6/43 s	13/55	8/46 pc
Madrid	20/79	7/44 pc	19/66	10/50 c
Mallorca	19/64	9/48 pc	21/70	12/53 pc
Milan	12/53	9/48 sh	14/57	10/50 sh
Moscow	4/39	3/37 sh	6/43	-3/26 sh
Munich	12/53	3/37 s	12/53	3/37 pc
Nice	14/57	13/55 r	16/61	13/55 r
Oslo	6/43	1/34 pc	4/39	0/32 pc
Paris	12/53	5/37 pc	12/53	7/44 sh
Prague	11/52	2/35 s	10/50	2/35 pc
Reykjavik	4/39	-1/31 c	1/34	-3/27 sf
Riga	8/46	4/39 r	6/41	4/25 c
Rome	18/64	11/52 c	20/68	12/53 pc
St. Petersburg	8/46	1/34 r	1/34	-7/20 c
Stockholm	10/50	1/34 c	1/34	-8/22 s
Strasbourg	11/52	5/41 c	13/55	6/43 pc
Tallinn	8/46	0/32 r	1/34	0/32 pc
Tbilisi	11/52	1/34 pc	15/59	6/43 pc
Venice	12/53	7/44 c	16/61	8/46 pc
Vienna	11/52	4/39 pc	12/53	6/43 pc
Warsaw	8/46	1/34 pc	9/48	1/34 pc
Zurich	13/55	7/44 c	14/57	7/44 c

Middle East

Abu Dhabi	28/84	21/70 pc	29/84	19/66 pc
Beirut	22/71	15/59 s	23/73	18/64 c
Cairo	28/79	16/61 pc	31/88	16/61 pc
Damascus	21/70	8/46 pc	23/73	10/50 c
Jerusalem	19/66	9/48 s	22/71	12/53 pc
Luxor	39/89	13/55 pc	34/93	15/59 s
Riyadh	23/73	17/62 sh	28/82	19/64 pc

Africa

Algiers	21/70	10/50 pc	25/79	15/59 pc
Cape Town	27/80	15/59 s	26/79	15/59 s
Casablanca	23/77	15/59 pc	23/73	17/62 c
Harare	29/79	8/46 s	27/80	8/46 s
Lagos	30/86	23/73 r	31/88	24/75 r
Nairobi	28/79	16/61 sh	29/76	14/57 sh
Tunis	23/73	13/55 pc	23/71	13/55 pc

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Almaty	19/66	6/43 pc	8/46	-4/25 sh
Bali	33/88	20/68 s	32/88	21/70 s
Bangkok	30/86	21/70 pc	29/84	21/70 c
Beijing	18/64	6/43 s	17/62	9/48 pc
Bombay	31/88	21/70 pc	29/84	21/70 pc
Calcutta	29/82	19/66 pc	29/82	19/66 pc
Chiang Mai	27/80	15/59 pc	27/80	17/62 pc
Colombo	29/84	23/71 pc	29/84	23/71 pc
Hanoi	22/71	15/61 pc	22/71	17/62 pc
Ho Chi Minh	31/88	23/73 r	31/88	23/73 t
Hong Kong	21/70	19/66 sh	22/71	20/68 r
Islamabad	28/82	9/48 s	28/82	9/48 s
Jakarta	30/86	22/71 s	31/88	23/73 pc
Karachi	31/88	19/66 pc	33/91	17/62 s
K. Lumpur	31/88	23/71 r	31/88	23/73 r
K. Kinabalu	29/84	23/73 sh	29/82	23/73 sh
Manila	31/88	23/71 pc	29/84	22/71 sh
New Delhi	26/82	13/53 r	29/82	12/53 s
Phnom Penh	29/84	23/73 r	29/84	23/73 r
Phuket	30/86	21/70 pc	29/84	21/70 c
Rangoon	29/84	19/66 pc	29/84	21/70 pc
Seoul	13/55	1/34 s	14/57	3/37 s
Shanghai	19/61	8/46 s	17/62	9/48 s
Singapore	30/86	22/71 c	30/86	22/71 r
Taipei	21/70	18/64 c	22/71	19/66 sh
Tokyo	14/57	9/48 s	14/57	12/53 s
Vientiane	27/80	18/61 pc	27/80	17/62 c

North America

Anchorage	-1/31	-6/22 pc	2/35	-1/31 sn
Atlanta	21/70	11/52 c	16/61	4/39 sh
Boston	14/57	10/50 r	17/62	11/52 r
Chicago	13/55	3/37 sh	8/46	-1/31 c
Dallas	23/73	8/46 s	17/62	8/46 s
Denver	11/52	-2/29 pc	12/53	-1/31 s
Detroit	14/57	8/46 r	10/50	2/35 sh
Honolulu	27/80	18/64 pc	29/84	22/71 pc
Houston	27/80	9/48 s	18/64	6/43 s
Las Angeles	31/88	17/62 s	32/89	16/61 s
Miami	29/84	21/70 pc	29/84	21/70 t
Minneapolis	6/43	-1/31 sh	6/43	-4/25 pc
Montreal	14/57	13/55 sh	17/62	4/39 r
Nassau	30/86	23/73 pc	30/86	23/71 pc
New York	14/57	11/52 r	14/57	9/48 sh
Orlando	30/86	17/62 t	27/80	18/59 t
Phoenix	31/88	13/55 s	30/86	13/55 s
San Fran.	24/75	13/55 s	20/73	11/52 s
Seattle	13/55	8/46 sh	14/57	8/46 c
Toronto	14/57	11/52 r	12/53	0/32 sh
Vancouver	11/52	8/46 sh	14/57	7/44 sh
Washington	16/61	12/53 r	17/62	9/48 sh

Latin America

Buenos Aires	18/66	12/53 pc	19/66	12/53 c
Caracas	28/84	20/68 pc	28/82	21/70 pc
Lima	22/71	18/66 pc	21/70	19/66 pc
Mexico City	23/73	10/50 pc	19/66	7/44 c
Rio de Janeiro	29/84	21/70 pc	28/82	22/73 c
Santiago	23/73	7/44 s	21/70	8/41 pc

Oceania

Auckland	20/68	12/53 s	20/68	14/57 pc
Sydney	26/79	16/61 s	24/75	16/61 s

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ITALY	ITL	145,600	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	101	44%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
SINGAPORE	S$	136	92	43%
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هكذا من الأصل

صكتاب الامل

In Relations With U.S., China Takes On Soviet Union's Cold War Status

By Steven Erlanger
New York Times Service

NEWS ANALYSIS

WASHINGTON — The first Chinese-American summit meeting since the crushing of democracy protests near Tiananmen Square in 1989 was also the first since the Soviet Union collapsed; and the sense that China is supplanting Russia as America's prime concern dominated the meetings, in ways both practical and symbolic.

On a fundamental level, for weeks the main energies of the Clinton administration went into preparing the meeting, negotiating its outcome and ordering its camera angles in ways that would allow both presidents to look strong to their domestic constituencies.

Difficult and aggressive bargaining with the Chinese continued until the very end on substantive, strategic, and economic issues; a senior administration official explained this by citing "our most important foreign-policy problem — ensuring a relatively benign China for the next century."

In symbolic ways, too, the Chinese insisted on the trappings of great power that the Soviets once got and that the Russians still have — a formal state visit, including an official dinner (and lunch); awkward visits to famous historical sites, like that famous shrine of anti-colonialism, Independence Hall in Philadelphia, and a secure, telephone "hot line" between President Bill Clinton and President Jiang Zemin.

When President Richard Nixon created the first normalization with Communist China in the early 1970s, there was much talk of a "triangular relationship," in which China and the United States could help each other to restrain the Soviet Union.

But today, in a much less confrontational world, a rising and aggrieved China is pressing to be treated by the United States with the same respect as the Soviet Union was, and Mr. Clinton and his advisers did their best over the last few days to oblige.

"They are supplanting Russia as the other power, and one of the things we gave them is equal status as the other power, and this they wanted very much," said Leslie Gelb, president of the Council on Foreign Relations.

"So what's most interesting is how similar this meeting was to the old Soviet summits," he added. "Both with the Soviets and now the Chinese, the American president had to make clear to the American people that he is tough and hard-nosed, especially on human rights issues. Clinton posed himself carefully with Jiang, unsmiling and serious, the same demeanor all the old Cold War presidents had to take."

Still, no one could remember a sharper public exchange between an American president and his summit guest than Mr. Clinton's and Mr. Jiang's alternating lectures to the press, and each other, on the nature of human rights.

Fred Greenstein of Princeton University, a presidential historian, said that the closest comparison came during Nikita Khrushchev's visit here in 1959, less than three years after the invasion of Hungary, "when Americans demonstrated and mayors boycotted and Khrushchev threw ears of corn at the press."

This time, Mr. Greenstein said, "there was a balletic quality — the sense of a strongly orchestrated agreement to disagree, where people were prepared to say what they needed to say."

Jonathan Pollack, a China scholar at the Rand Organization, said he was reminded of the "kitchen debate" in Moscow between then Vice President Nixon and Mr. Khrushchev, also in 1959. Mr. Clinton "looked stronger on human rights, while Jiang can go home and feel he got here and held his own, bent a little but didn't break, got some agreements, and regularized meetings and a hot line like the Russians, and that will go over well with many Chinese."

In terms of economics, this meeting resembled American summit meetings with Japan. The main arguments involve trade barriers and market access, a looming trade deficit, how to verify compliance with trade agreements already reached, and the way American business interests can be invoked.

Robert Kagan of the Carnegie Endowment for International Peace, who is a critic of Mr. Clinton's China policy, wonders what would happen "if Chinese aspirations go beyond what any American administration can tolerate."

"That will present the administration an interesting conundrum on engagement down the road," Mr. Kagan said. "Is there a point where we will have to say no to them?"

If so, American-Chinese summit meetings will not just seem like Soviet-American ones, but begin to carry some of the same strategic weight.

Media Ensure Chinese See Only the Rosy Side of Jiang's U.S. Visit

By Erik Eckholm
New York Times Service

BEIJING — Among the mandatory smiles and pageantry of Jiang Zemin's state visit to Washington this week, the impromptu debate on human rights between Mr. Jiang and President Bill Clinton at their press conference stood out as unusually frank.

For American viewers, at least, it was a reminder of the differences that remain despite a multitude of agreements and shared hopes.

But few Chinese are apt to learn about this telling moment because the pointed exchange was not mentioned at all in the news coverage here.

All week, the government-controlled television and newspapers have extolled the happy moments of the trip and glossed over less pleasant tidings.

On Thursday evening, viewers of China's only national television newscast watched the Clintons and Gores meet Mr. Jiang and his wife, sat through nearly the entire American national anthem and watched the 21-gun salute. They heard a long summary of the leaders' joint statement, covering everything from environmental agreements to the desire for world peace.

The press conference itself was shown only briefly, and the crowd of protesters across the street from the White House was not mentioned at all.

From the long and lively press conference, the government-run China Central Television showed only a moment of each leader's statement about constructive cooperation.

The television networks and newspapers here have been remarkably consistent. The images given the Chinese people have been resolutely upbeat, with special emphasis on the pomp and symbols.

Mr. Jiang clearly wanted this trip to give him new stature at home, and China new stature as a world player. His country's news outlets, with the government's guidance, are doing their best to make sure that it plays that way.

Each day's ceremonies and meals and meetings have been featured atop page one of every major newspaper, crowding down news about the stock market chaos in Hong Kong, and they have filled the opening minutes of every news broadcast.

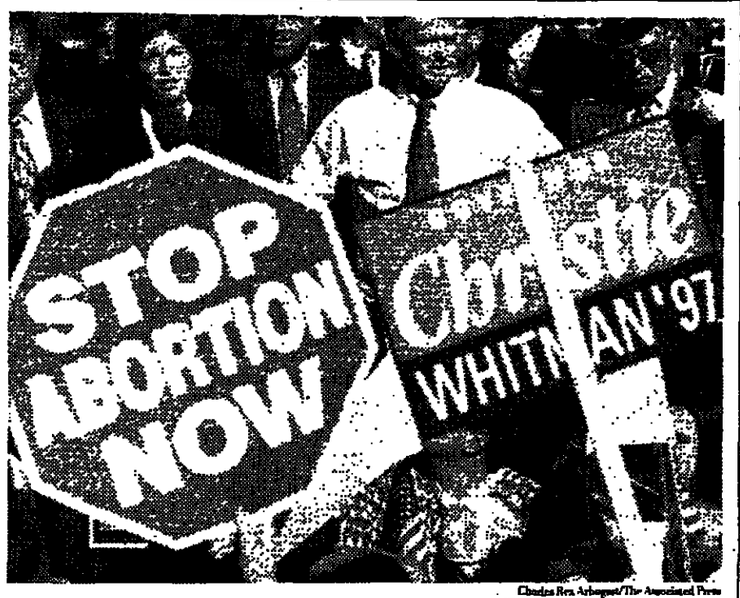
"The government sees this visit as a very big event, and they give the media very detailed directions about what to print," said Wu Guoguang, a former editorial writer of the People's Daily who left China in 1989 and now teaches at the Chinese University of Hong Kong.

Typically, he said, the government's Xinhua news agency coordinates all coverage of an overseas event like this one, and a top political official reviews drafts of key articles.

Beijing residents could choose among a wealth of officially sanctioned newspapers Thursday morning to learn about the summit, but nearly all of them used identical pictures — the two presidents striding past a military honor guard — versions of the same article from the Xinhua news agency, and in some cases identical headlines.

Some Chinese can, however, seek out alternative news outlets. Thousands, especially in the south, have illegal satellite dishes and can view CNN or Hong Kong stations, which remain far more freewheeling.

POLITICAL NOTES



Charles Rex Arbogast/The Associated Press

An abortion protester getting into the act as Governor Whitman of New Jersey campaigned Friday with former Vice President Dan Quayle in Morristown.

Dead Heat in New Jersey

NEW YORK — Christie Whitman continues to receive high marks as governor of New Jersey, but she has been unable to persuade voters that she would do a better job than her Democratic opponent, state Senator Jim McGreevey, in addressing their top concern, which is auto insurance, according to a New York Times/CBS News Poll.

The race between Mrs. Whitman and Mr. McGreevey appeared to be a statistical dead heat among those voters judged by pollsters to be the most likely to vote. *(NYT)*

Funding Probe Fizzles

WASHINGTON — Senator Fred Thompson, acknowledging declining support among fellow senators for his investigation of alleged fund-raising violations, announced Friday that he was suspending hearings and said the inquiry would not be extended beyond the year-end deadline.

Mr. Thompson, chairman of the Senate Governmental Affairs Committee, said he reserved the right to call additional hearings if the need arose. But he said that there were not enough votes to keep the investigation going next year — as he would like.

"I can count as well as the next guy," the Tennessee Republican said, noting that it would take 60 votes to break a Senate filibuster on the issue. He admitted that some Republicans do not want the investigation extended.

Among the reasons discussed at a meeting earlier this week, according to three sources, was concern that the hearings have not produced a blockbuster disclosure and have not stayed focused on Republicans see as Democrats' misdeeds. *(AP)*

Quote/Unquote

Gary Locke of Washington, the nation's first Chinese-American governor, on the portrayal of Asian-Americans in the congressional inquiry of illegal contributions: "I am as adamant as anyone else in our belief that we need to get to the bottom of what happened and that we need to overhaul our campaign finance system. But it is terribly wrong and very hurtful to tar all Asian-Americans with the same brush." *(AP)*

Away From Politics

• **Seven women and five men have been selected** to serve as jurors in the Oklahoma City bombing trial of Terry Nichols, clearing the way for opening statements in the second case stemming from the bombing on April 19, 1995, that killed 168 people. *(WP)*

• **The number of Americans afflicted with diabetes** has increased dramatically since 1958 to 10 million, the highest level ever. One reason is that people are too fat, the Centers for Disease Control and Prevention said. *(AP)*

• **The accused leader of a secret order** of white separatists was sentenced to two life terms in prison without parole for a string of bombings and bank robberies in Washington state. Verne Jay Merrell refused to stand for the sentencing. *(AP)*

BOOKS

MAN ON THE FLYING TRAPEZE: The Life and Times of W.C. Fields

By Simon Louvish. 564 pages. $29.95. Norton.

Reviewed by David Nicholson

IT took about eight hours to read this biography of W. C. Fields, about as much time as it took to watch the four full-length movies and six short subjects featuring him that I found in my video library and for rent at the local video store. Guess which experience was more fun.

True, Simon Louvish, a novelist and teacher at the London International Film School, has done some admirable detective work.

He had access to a trove of scrapbooks, as well as letters and other materials from Fields and his estranged wife, Hattie.

Louvish also seems to have seen every film Fields appeared in and, as a result, can compare versions of a script with the picture itself to show us how the actor ad-libbed once the cameras were rolling. Louvish can also show us how some of Fields's material can be traced to vaudeville, and perhaps even to mid-1870s minstrel shows.

What Louvish doesn't do, however, is give us the man. Though he retells Fields's life from his boyhood in Philadelphia to his death in California in 1946, shows us the hard work and the unrelenting drive that allowed Fields to survive the death of vaudeville — where he began as a juggler — and to reinvent himself as a movie star, the great comedian remains maddeningly elusive.

Perhaps this was inevitable. Offscreen, a series of mistresses, a love of fast cars and a penchant for alcohol notwithstanding, Fields was in some respects numbingly conventional. Work seems to have been the most important thing in his life.

Though Fields wanted audiences to believe he was a "curmudgeon who was the same in his life as on-screen: the hater of children and dogs, who made a million laughs out of his own pain and his traumatic, miserable past," the reality was more complicated. He had a "close-knit circle of friends, mostly male," and, though he had several mistresses, he provided financially for his estranged wife and son for decades.

He was capable of casual racism and anti-Semitism both in his life and his art. At the same time, before his death, Fields announced he was leaving his money to found a home for orphaned black boys.

But in the end, Fields never seems quite real here. As Louvish himself puts it: "I discovered that the juggler had fooled me again. The quickness of the hand deceives the eye. Never give a sucker an even break, particularly when he might be your biographer."

David Nicholson, a writer based in Washington, wrote this for The Washington Post.

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Financial Turmoil in Asia. How Serious? Will It Spread?

A Special Section on Monday, November 3rd.

The plunges in stock markets and currencies in much of Asia in recent weeks have rattled economies and forecasts throughout the region, as well as in Europe and America.

As part of its continuing daily coverage of this important and dramatic story, the International Herald Tribune will provide a special section on Monday, November 3, bringing together the best up-to-date assessments of:

- How serious is the decline in Asian economies?
- What are the likely consequences in Asia, Europe and America?
- What will it take to bounce back?
- What is the longer term outlook?

Included in this special section are overview pieces from IHT correspondents in Asia, Europe and the United States and ten individual country portraits by correspondents focusing, concisely, on Thailand, Malaysia, Indonesia, the Philippines, Hong Kong, China, Taiwan, Singapore, Japan and South Korea.

The currency crisis gripping the region had its roots in Thailand's currency devaluation on July 2. It was on the front page of the July 3 International Herald Tribune and it has stayed on the front page consistently as the story has unfolded and spread.

Don't miss this Special Section on November 3 for continuing coverage.

THE WORLD'S DAILY NEWSPAPER

RELIGIOUS SERVICES

AMSTERDAM
CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 3812 or 020-6451 653.

FRANKFURT
English Speaking International Catholic Parish, St Leonhard, Alte Mainzer Gasse 8, 60311 Frankfurt, Germany, Tel/Fax 069-283177, Mass schedule: Saturday 5 p.m., Sunday: 10 a.m. Confessions: 1/2 hour before Mass.

St. Mary's Church for English-speaking Catholics Am Alten Bach 2, Oberursel/Oberstedten (Church of St. Petrus Canisius). Holy Mass, Sun. 11:00 Pastor Fr. Bruens. 069-71911430 (home) or 06171-25983 (Office).

FRANCE/TOULOUSE
HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd de Pibrac, Colomier. Sunday service 6:30 p.m. Tel.: 05 62 74 11 55.

FRENCH RIVIERA/CÔTE D'AZUR
NICE: Holy Trinity (Anglican), 11 rue Buffa, Sun. 11; VENICE: St Hugh's, 22, av. Résistance, 9 a.m. Tel: 33 04 93 87 19 83.

PARIS and SUBURBS
EMMANUEL BAPTIST CHURCH - 56, rue des Bons-Raisins, 92500 Rueil-Malmaison. Worship: 9:45 - 11:00 a.m.Sunday School. For more info call 01 47 51 29 63 or check: http://www.geocities.com/Paris/Metro/1562.

HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly. Worship Sundays, 9:30 a.m. Rev. Douglas Miller, Pastor. T.: 01 43 33 04 06 Métro 1 to la Défense Esplanade.

SAINT JOSEPH'S CHURCH (Roman Catholic). MASS IN ENGLISH: Sat. 6:30 p.m.; Sun.: 9:45 a.m., 11 a.m., 12:15 p.m.; 6:30 p.m. 50, avenue Hoche, Paris 8th. Tel.: 01 42 27 28 56. Metro Charles de Gaulle - Etoile.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS). Unprogrammed (silent) meeting for worship. Sundays 11 a.m. Centre Quaker International, 114 bis, rue de Vaugirard, 75006 Paris. All Welcome. +33 01 45 48 74 23.

TOKYO
TOKYO UNION CHURCH, near Omotesando Subway Sta. Tel.: 3400-0047. Worship Services: Sunday - 8:30 & 11:00 a.m., SS at 9:45 a.m.

SWITZERLAND
BASEL CHRISTIAN FELLOWSHIP English-Speaking non-denominational. Tel. +41 61 302 1674. Sundays 10:30 Mittlere Strasse 13, CH-4056 Basel.

ZURICH-SWITZERLAND
ENGLISH-SPEAKING CATHOLIC MISSION; St. Anton Church, Minervastraße 83 Sunday Mass: 8:30 a.m. & 11:30 a.m. Services held in the crypt of St. Anton Church.

UNITARIAN UNIVERSALIST

PARIS and SUBURBS
Gale Pravda, President of the UNITARIAN UNIVERSALIST FELLOWSHIP OF PARIS, will speak on "Diversity and Tolerance" at the October 12 service, 12 noon. Foyer de l'Arme, 7 bis, rue du Passeur Wagner, Paris 11e, Metro Bastille. All welcome. Non-dogmatic religious education for children and teens. Child care. Meditation and spiritual growth groups. Social activities. INFO: 01.30.82.75.33.

WASSENAAR/THE HAGUE
THE NETHERLANDS UNITARIAN FELLOWSHIP invites you to its services which are held on the first Sunday of each month beginning at 13:00 at the NPS Church, Lange Kerkdam 48, Wassenaar. All are welcome! Non-dogmatic religious education for the children. Nursery provided. Join us for Thanksgiving Dinner. Call 020-645-9613.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS
THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33-01 53 23 84 00. Metro: George V or Alma Marceau.

FLORENCE
ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT
CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Pinz Str. 22, 60329 Frankfurt, Germany. U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA
EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 732 80 78.

MUNICH
THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Haching). Germany. Tel.: 49/89 64 81 85.

ROME
ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3599 or 39/6 474 3599.

BRUSSELS/WATERLOO
ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN
THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BERLIN
I.B.C., BERLIN. Rothenburg Str. 13, (Steglitz). Sunday, Bible study 10.45, worship Service 12.00 noon. Charles Warford, pastor. Tel.: 030-774-4670.

BRATISLAVA - SLOVAKIA
I.B.C., The Iuventa, Karlovaska 64, Auditorium 1048. Worship Sun. 10:00. Tel.: (07) 715967

BREMEN
I.B.C., Hohenlohestr. Hermann-Böse-Str. Worship Sun. 17:00, Pastor telephone: 0421-78 648.

BUCHAREST
I.B.C., Strada Popa Rusu 22, 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3860.

BUDAPEST
I.B.C., meets at Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sun. 10:00. Tel. 250-3932.

BULGARIA
I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 971 - 2192.

DARMSTADT - GERMANY
I.B.C., Wilhelm-Leuschner Str. 104, Darmstadt-Griesheim, Bible Study Sun. 16:00. Tel.: (0611) 941-0505.

FRANKFURT
INTERNATIONAL CHRISTIAN FELLOWSHIP, Ev.-Freikirchliche Gemeinde, Sodenerstr. 11-15, 65150 Bad Homburg. Sunday Worship, Nursery & SS: 11:20 A.M. Mid-week ministries, Pastor M.Lesvey. Call/Fax 06173-82728.

BETHEL I.B.C. Am Dachsberg 92 (English), Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

HOLLAND
TRINITY INTERNATIONAL invites you to a Christ centered fellowship. Services 9:00 and 10:30 a.m. Bloemcamplaan 54, Wassenaar 070-517-8024 nursery prov.

NICE - FRANCE
I.B.C. 13 rue Vernier, English service, Sunday evening 18:30, pastor Roy Miller - Tel.: (04 93) 32 05 95.

ST. PAUL DE VENCE - FRANCE
St. Paul de Vence - France I.B.C., Espace St. Claire, Level "0", Bible Study Sun. 9:30, Worship Sun. 10:45. Tel: (0493) 320-696.

PRAGUE
I.B. FELLOWSHIP, Vinohradska # 68, Prague 3. Sun. 11:00. Tel.: (02) 311 7974.

WATERLOO
WATERLOO BAPTIST FELLOWSHIP Sun. 19:00 at Swedish Church, across from MacDonalds, Tel.: (02) 353 1585.

ZURICH - SWITZERLAND
I.B.C of Zürich, Gheistrasse 31, 8803 Rüschlikon, Worship Services Sunday mornings 10:30. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN
AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

GENEVA
EV. LUTHERAN CHURCH 20 rue Vardaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM
LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 6281-049.

PARIS
AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

ZURICH
INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

Russian Deputies Ratify Chemical Arms Treaty

By David Hoffman
Washington Post Service

MOSCOW — The lower house of the Russian Parliament on Friday ratified the Chemical Weapons Convention, a global pact banning the production and use of chemical weapons, while acknowledging that Russia could not afford to carry out the provisions.

The 288-to-75 vote came amid deadlines that would have excluded Russia from a key decision-making body if it failed to ratify the agreement. The 1993 treaty, which Russia had signed and which entered into force last April 29, requires participating nations to destroy their chemical arsenals and production facilities within 10 years, with a possible five-year extension.

Last spring, the State Duma, the lower house of Parliament, balked at ratifying the treaty over concern of the costs — estimated by the Russian military at more than $5 billion — that would be required to destroy the entire Russian arsenal. Russia's 40,000 metric tons of chemical weapons, of which nerve agents make up 80 percent, is the world's largest stockpile of its type. The United States has about 31,000 tons.

Other international estimates of the cost of destroying the Russian stockpile over a decade have ranged from $3.5 billion to $5 billion.

Igor Ivanov, first deputy foreign minister, said Russia planned to spend about $9 million on the destruction next year. But in the past, the destruction program has not been a high priority, and the cash-strapped government did not provide money for it.

The Duma acted in part out of hope that ratification will pave the way for international assistance. "If we don't ratify it, we will find ourselves alone, and we will find ourselves under a powerful fire of criticism," said Vladimir Lukin, chairman of the foreign affairs committee. According to the Interfax news agency, Mr. Lukin estimates that Russia could collect about $100 million in overseas aid in the first years after ratification.

Vladimir Zhirinovsky, the extreme nationalist, suggested moving the chemical weapons away from Russian population centers and toward Russia's neighbors. "Let them also participate in the destruction, maybe foreign labor could be used," he said. "That is, involve the world community here, be more cunning, more crafty, like chemical weapons themselves."

The 450-member Duma, dominated by Communists and nationalists, voted after President Boris Yeltsin sent a new version of the legislation to the lower house this week. His proposal would create a reporting system which backers hope will push destruction ahead by requiring periodic reports to the Duma about the status of the chemical weapons stockpile and financial and environmental issues, as well as on conversion of the facilities to other uses.

The treaty is expected to win approval by the upper chamber, the Federation Council. Spread across seven storage sites, the Russian chemical weapons stockpile is an environmental time-bomb. Anatoli Kvashin, head of the military's general staff, told Parliament that some chemical weapons stocks have been held in Russia for more than 50 years.

Skin agents were put in warehouses as early as the 1940s, he said, and pose an "immense potential danger" for Russia.

"The storage of chemical weapons cannot be endlessly safe," he added, "and little time is left before these weapons start leaking."

Another reason the Duma moved Friday is that ratification was key to Russia participating in an international conference of signatories in early December.

The Duma's decision on the treaty was being closely watched by Western diplomats as a precursor of a possible vote this year, or early next year, on the long-stalled Start-2 treaty reducing nuclear weapons.

In Suit, Jury Rules Against Ex-Smoker

The Associated Press

JACKSONVILLE, Florida — A jury decided Friday that the R.J. Reynolds Tobacco Co. was not liable for the cancer of a former smoker who had accused it of failing to warn the public about the dangers of cigarettes.

JoAnn Karbiwnyk, 59, who said she began smoking on a dare in high school, had asked for $200,000 in actual damages, $200,000 in future damages and enough punitive damages "to send a clear signal."

"I'm disappointed, but life goes on," she said.

Reynolds' attorneys had argued that it couldn't be proven that its products were responsible for Mrs. Karbiwnyk's cancer.

"Mrs. Karbiwnyk made a personal choice to smoke. We can't make every personal choice into a lawsuit," Reynolds' lead attorney, Ted Grossman, said after the verdict.

LOANS: *IMF Aid to Jakarta*

Continued from Page 1

drought and uncontrolled forest fires have recently ravaged large areas of the country.

The reform program, which Indonesian officials said had been approved by President Suharto, did not include a firm undertaking to end its national car project or its unprofitable state-owned "strategic" industries, including an ambitious aircraft manufacturing enterprise.

But Indonesian newspapers reported Friday that Mr. Suharto's youngest son, Hutomo Mandala Putra, was likely to be replaced as head of the car project in what was seen as the start of a face-saving way to bring the project into line with international trade rules.

The project and the strategic industries have come to be seen as symbols of the political favoritism and misallocation of resources that threaten to undermine the Indonesian economy.

The reform program, which is likely to involve the closure or merger of a significant number of Indonesia's more than 230 banks, will be implemented over a three-year period.

The government said it had agreed to allow tight monitoring of its compliance with the program, including scrutiny by a team of foreign experts.

"In its implementation, it will be monitored tightly and will involve necessary review, and for that reason, Indonesia will be assisted by experts from the IMF, the World Bank and the ADB," the Asian Development Bank, a government statement said.

Indonesia's central bank governor, Sudradjad Djiwandono, said that banks that were "beyond rescue" would be liquidated and that details would be announced "at an appropriate time."

The ADB said Friday in Manila that it would provide loan assistance worth $3.5 billion to Indonesia, mainly in the form of loans to improve the country's financial system.

"In view of the current instability in regional financial markets, the assistance package reflects the shared view of the bank and the Indonesian government that it is vital to accelerate the implementation of measures for a more transparent, efficient and dynamic banking system and capital markets," the ADB said.

Mr. Camdessus said that the IMF would provide a three-year standby loan facility of $10 billion, while the World Bank would provide $4.5 billion.

In addition, he said there were other expected contributions. Singapore had indicated it was prepared to make available up to $10 billion, and Malaysia promised $1 billion.

Officials said that offers from Japan, Australia, China, Hong Kong and other countries in Asia and the Pacific — concerned at the risk of more financial turmoil if investment and business confidence is not restored in Indonesia — were expected to take the total amount of standby loans available to Jakarta to more than $30 billion.

Some analysts warned that the size of the support loans, which are much bigger than the $17.2 billion put together by the IMF for Thailand in August, could indicate that Indonesia's financial system was in much worse shape than initially feared.

A recent survey by Jardine Fleming International Securities Ltd. estimated that loans amounting to $19 billion, or nearly 17 percent of the total loans made by Indonesian banks, were "nonperforming," meaning they would not be repaid.

Most analysts said that the proposed program would help restore investor confidence if Indonesia implemented its pledges in a way that convinced markets the government was serious.

"It's very good news — probably the best we could have expected given the constraints that policymakers face in Indonesia," said Neil Saker, head of Soc Gen-Crosby Securities Pte.

Indonesia, whose currency has lost 35 percent of its value against the U.S. dollar this year, while the main stock market index has fallen 20 percent, asked the IMF and other financial institutions for assistance on Oct. 8.

■ **IMF Suspends Loan to Russia**

The IMF, citing concern about the low level of Russian taxes, effectively suspended payments of its $10 billion loan to Russia, Reuters reported from Moscow.

But IMF and Russian officials expressed hope that an agreement could be reached on a new Russian economic program for 1998 and on a resumption of payments early next year.

China Releases Prison Update To U.S. Activist

By Steven Mufson
Washington Post Service

BEIJING — China quietly has released updated information on eight political prisoners in response to a campaign by an American business consultant to obtain details about their sentences, alleged crimes, current health and prison status from the country's secretive jail system.

Three of the eight have had their sentences slightly reduced; one was released in mid-June.

Nonetheless, the information about the group confirms that many people in China still are serving long, harsh sentences for their roles in the protests that rocked China in 1989.

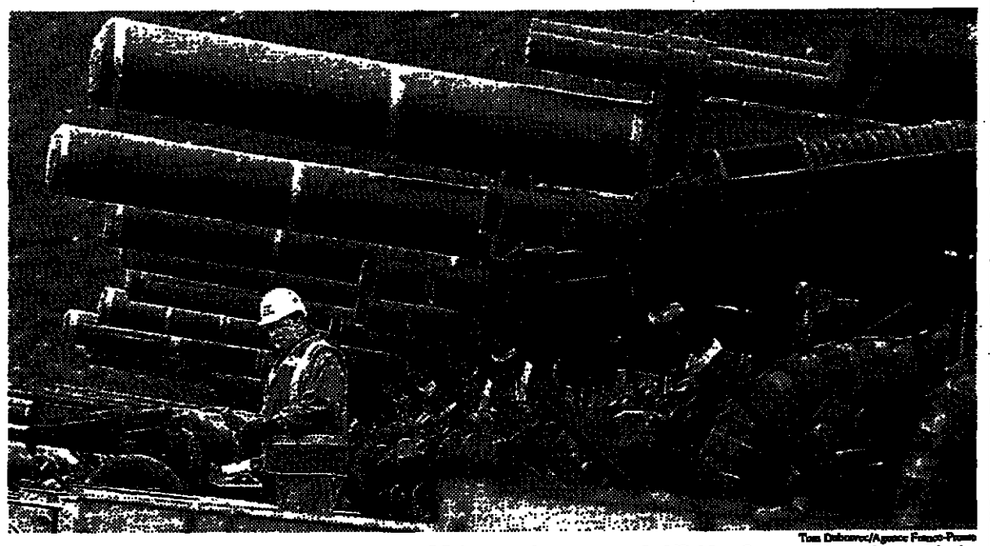
One person on the list is serving an 18-year sentence, which international human rights groups believe to be the longest term for anyone charged in connection with the 1989 demonstrations for democracy that were centered around Tiananmen Square.

"This informal dialogue has been resumed," said John Kamm, a San Francisco-based consultant who is one of the most prominent business advocates of human rights in China. "With respect to transparency, this is a step forward."

The only person released was Yu Zhenbin, 40, who had worked at the Qinghai bureau of archives before his 1989 sentence to 12 years in jail for "instigating a counterrevolutionary movement." Human rights groups said he had tried to form a new political party and had written pamphlets asking for a new constitution and an end to one-party rule. His case had been a priority for Amnesty International.

One striking aspect of the list: The Chinese government used the phrase "counterrevolution" to describe crimes committed by the jailed activists.

In April, the government abolished the crime of "counterrevolution." But that does not seem to have helped this group of previously sentenced prisoners. In new cases of political crimes, the government instead has alleged that people have broken Chinese criminal law or endangered national security.



Tom Dabrowa/Agence France-Presse

SPECIAL DELIVERY — A worker checking M-114 howitzers unloaded Friday from an American ship in Ploce, Croatia. The weapons are part of a U.S.-led program to train and equip Bosnian Muslims and Croats.

JIANG: *Playing the Stock Market in N.Y.*

Continued from Page 1

testers. But in Washington, Secretary of State Madeleine Albright named Gregory Craig as special coordinator for Tibetan issues Friday, a day after Mr. Jiang ended his visit to Washington. The appointment had been promised by Friday night. There was speculation that the announcement was delayed until the formal part of Mr. Jiang's state visit had ended. Mr. Craig is the director of policy planning at the State Department, a position he will continue to hold, James Rubin, the State Department spokesman, said Friday.

"What this job would entail is sensitizing all concerned about the issues of the people of Tibet and, if possible, promoting dialogue between the people of Tibet and the authorities in Beijing," Mr. Rubin said earlier in the week.

Mr. Jiang had breakfast with former President George Bush at the Waldorf-Astoria before going to Wall Street. Mr. Jiang and Mr. Bush, who was the chief U.S. representative in China during the 1970s, exchanged pleasantries and smiled broadly for photographers, with Mr. Bush telling him, "You look good."

But New York's top politicians steered clear of the visit. Mayor Rudolph Giuliani has "grave concerns about China's human rights policies," said Colleen Roche, a spokeswoman for the mayor.

While some critics blame the Chinese leadership for creating an atmosphere of repression, many U.S. business leaders say engaging China works better than isolating it. They say free-market forces have encouraged social reform. "The system has loosened substantially," said Richard Brecher, vice president of the U.S.-China Business Council. "Many see the rise in dissident voices as a product of rapid economic growth and economic reform." *(AP, Reuters)*

■ **Dalai Lama Backs Summit**

Unlike his supporters in the United States, the Dalai Lama thinks President Bill Clinton's meeting with Mr. Jiang was a good idea, The Associated Press reported Friday from New Delhi, quoting an aide to the Tibetan spiritual leader.

The Dalai Lama believes China should be drawn deeper into involvement with other countries, said Tempa Tsering, a spokesman in Dharmsala, India.

"Once you bring them back to the community of nations, you expect them to act according to international standards," he said. "Isolating China is no help."

Samuel Fuller, 85, Cult Filmmaker of Bleak Movies, Dies

The Associated Press

LOS ANGELES — Samuel Fuller, 85, a cigar-smoking reporter-turned-war hero-turned-director whose bleak and violent movies inspired many of today's top filmmakers, died Thursday of natural causes, a family friend, Joseph McBride, said.

His box office power long since peaked, Mr. Fuller was best known for his 1979 classic "The Big Red One," based on his own experiences with the 1st Infantry Division in World War II.

He was a B movie cult favorite, particularly in Europe, for the harsh takes in his films on American society and sweeping camera work. His heroes often corrupt or amoral, Mr. Fuller used his films to tackle communism, racism and the atom bomb, confounding both the political left and right with a mix of patriotism and cynicism.

"You hear a lot about independent filmmaking in the '90s, but he was doing it in the late 1940s and '50s," said Leonard Maltin, a film critic and historian. "He produced, wrote and directed his films. He was a triple threat."

Martin Scorsese has said a smoky shot in Mr. Fuller's war film, "The Steel Helmet," influenced a fight scene in his "Raging Bull."

Born Samuel Michael Fuller on Aug. 12, 1911, in Worcester, Massachusetts, he became a copy boy at the New York Journal when he was 12 and a crime reporter for the San Diego Sun at age 17. He published several pulp novels, starting with "Burn Baby Burn," in 1935. The next year he became a screenwriter, collaborating on "Gangs of New York" in 1938.

His gritty war films portrayed conflict unromantically, with direct and brutal violence. After his 1982 film, "White Dog," was denounced as racist in the United States he moved to France.

TRIAL: *Shock in Britain*

Continued from Page 1

And at the core of the case, there were social questions: Are parents, and particularly mothers, neglecting their children for the workplace? And are the armies of young women who work informally as au pairs and nannies prepared for the job?

The Woodward case also took place against a background of growing revulsion across Europe at America's high incarceration rate and the rising number of executions. Those developments "have caused people to wonder about the values of the criminal justice system in the United States," said Jonathan Caplan, a prominent London barrister.

The reaction in Britain reflected disbelief that the 12 jurors did not find Ms. Woodward's calm testimony during the trial credible, or give greater weight to the claims of defense expert witnesses who said Matthew Eappen's fatal head injury occurred three weeks before the prosecution contended. They said the previously undetected head injury could have been reopened by minor jarring.

"If there is some doubt, the defendant gets the benefit of it," said Christopher Murray, head of the criminal department at the British law firm of Kingsley, Napley. But Mr. Murray, who assisted the defense team for the convicted Oklahoma City bomber Timothy McVeigh and is British, expressed concern that Britons were rushing to judge the U.S. system based on a selective view of the trial.

The murder charge itself struck lawyers and lay people alike in Britain as too harsh. In part, that is because Britain has only one murder charge, for premeditated killings.

But Ms. Coakley, the prosecutor, said the second-degree conviction under Massachusetts law did not imply the killing was premeditated, only that Ms. Woodward acted with malice and knew her actions could cause death.

Mr. Caplan, however, said the charge was excessive even on those grounds. At worst, he said, Ms. Woodward would have faced a charge of manslaughter in Britain.

Ms. Woodward's defense lawyers acknowledged they took a gamble and lost by ruling out a plea bargain to a lesser charge in the belief that the jury would not find her guilty.

Many Britons also criticized the U.S. justice system as being overly politicized because most American district attorneys are elected, unlike in Britain, where prosecutors are civil servants.

In Elton, banners saying "Not Guilty" and "Justice? No Way" were hung on homes and shop windows on Friday. "It should never have happened," said Kate Hagan, 19, a school friend of Ms. Woodward's. "This is a girl who went to America because she had a great passion for children."

The parents of the victim, both doctors, welcomed the sentence. "I think that Louise has done a brutal thing," said Dr. Sunil Eappen, the boy's father. "I truly hope that she may someday find the peace of God in her life again."

Josien Chalmers, head of the London agency Au Pairs Worldwide, which did not place Ms. Woodward, expressed hope that the case would teach parents to be less demanding of au pairs.

SON: *Chinese Leader Meets an Old Classmate Who 'Ran Away'*

Continued from Page 1

But the effort has neither erased skepticism among Chinese Americans about China's rulers nor healed all wounds. "I have mixed feelings about it all," said Mr. Sun about his meeting with Mr. Jiang. "I lost my father to the Chinese system. But I have a lot of hope for President Jiang."

Communist China has had a troubled relationship with overseas Chinese. But after years of demanding strict adherence to the Communist Party line, Beijing switched tactics two decades ago and has welcomed overseas Chinese investment, which now accounts for more than half of all foreign investment in China. Courting Chinese Americans is also seen by the Chinese as a wedge against Taiwan.

"Jiang's agenda is driven a lot more by Taiwan issues than is readily apparent," said Douglas Paal, who was an official in the Reagan and Bush administrations. "The subtext is how do you trump Taiwan." He said Mr. Jiang was speaking Saturday at Harvard University in part because "Harvard trumps Cornell." Cornell University was the venue for a speech in 1995 by President Lee Teng-hui of Taiwan. Mr. Lee's visit touched off a crisis in U.S.-China relations.

Mr. Sun, who now is retired, was a mentor to Mr. Jiang's son, Jiang Mianheng, who obtained his doctorate in physics from Drexel in 1991.

Mr. Jiang's meeting Thursday with Mr. Sun was all the more poignant because they studied together in Shanghai before the revolution. In 1946, they graduated from Jiaotong University in Shanghai, and Mr. Jiang went on to join the Communist Party. Mr. Sun, sent by his father to study in America, left China in March 1948. He never saw his father again.

"I ran away, and he stayed and took over China," Mr. Sun said, his voiced tinged with sadness. He has never returned to China, where his mother is still alive. His wife has been sick for years and still resents the Communist government. "It's a sad story," he said. "But I know I am not the only one. There are a lot of families facing this situation."

EXPORTS: *U.S. Exporters Beat the Odds*

Continued from Page 1

driving sales. So are long-term contracts. Big customers such as Dassault Aviation of France, maker of Falcon business jets equipped with Allied engines, cannot easily switch suppliers.

AMP Inc. provides another insight into the nation's export performance. AMP exports to itself, a growing practice largely impervious to exchange rates. AMP is shipping connectors for computer chips to its plants in Asia, where they are installed in electronic equipment sold in the region. The company also sends computer cables and connectors to its Mexican plant, where they are attached to one another and imported back into the United States for AMP to sell. Sixty percent of America's merchandise exports to Mexico fell into this category last year, according to one recent study. And Mexico is America's fastest-growing export market, after Canada.

"The question is, do we use intelligent, flexible Mexican labor for this assembly work," said William Hudson, AMP's chief executive, "or do we install an expensive piece of automated equipment in the United States? We prefer the flexible Mexican labor, particularly since models change so often."

No one knows how much stronger the dollar has to get for exports, even AMP's, to stop rising.

Thousands of small manufacturers, for example, have doubled and tripled their sales abroad in recent years, according to the National Association of Manufacturers. Like Bison Gear, which has $35 million a year in revenue, 10 percent of it from exports, they often find ways to offset the costs of a rising dollar.

The stronger dollar does not kick in everywhere, and that helps. The dollar has not strengthened in recent months against the currencies of America's two largest export markets, Canada and Mexico. Both have absorbed increased shares of U.S. exports in the past year.

In Europe and Japan, where the dollar is much stronger, some U.S. companies have resisted increasing prices, even though that has meant lower dollar revenue and lower profit margins.

"You are getting falling dollar prices for American exports, more than you would expect," Mr. Godley, the economist, said. "One wonders how long that can last."

Varian Associates Inc. gambled on freezing the price in Europe and Japan for its chromatographs, expensive industrial instruments that identify invisible elements in a substance. The pricing gamble paid off.

"We found, to our surprise, that we sold more units, nearly 20 percent more," said J. Tracy O'Rourke, Varian's chairman. "And that kept our export revenue over the past year flat at $150 million. The demand is there for state-of-the-art capital equipment, if it is not too pricey."

KING: *Sense of Betrayal*

Continued from Page 1

Netanyahu and the Israeli people, a majority of whom he contends are committed to a fair peace.

"It is a very fair distinction and it's a very serious distinction in my mind," King Hussein said, adding that he believed there was a very large peace camp in Israel as in Jordan, "regardless of what the intelligentsia of Amman may or may not say."

"But there is nothing tangible," he added. "There is nothing that can provide comfort. There is nothing that can allay the fears, and I think this question of fears is something that is being played upon time and again.

As a result, King Hussein said, "a minority, both here and there, are able to dictate the agenda."

King Hussein struck a markedly different tone when he told several American journalists a few days after Mr. Netanyahu's election in May 1996 that he was confident that the peace process would continue.

"It has a dynamic of its own," he said then. "It is irreversible."

But Mr. Netanyahu's tenure has since been marked by a series of crises, culminating in the Meshal episode.

"He's promised he's going to surprise me many times, but I haven't seen any pleasant surprises," the king said.

MEXICO: *A Former High Flier Speaks Out From a Prison Cell*

Continued from Page 1

He did not participate in the interviews.

Since 1995, Raul Salinas has been held without bond on murder charges at the Almoloya prison near Mexico City, a maximum-security facility designed for dangerous convicted felons which, he noted pensively, was built on orders from his brother Carlos. Raul Salinas's visits from relatives and defense lawyers are limited and closely monitored by guards.

Disclosures two years ago that American banks helped Raul Salinas move more than $100 million to Swiss accounts touched off investigations in Mexico, Switzerland, and the United States that are still unfolding.

Swiss investigators have said they believe the deposits resulted from drug payoffs, but have yet to present evidence publicly to support that assertion. In the United States, officials have been examining Citibank's handling of the money and why the bank accepted such large deposits from Mr. Salinas, a former bureaucrat who earned a modest salary for much of his career. No charges have been brought by either country.

The Swiss have interviewed several witnesses in the United States who link Raul Salinas to drug trafficking, but the Salinas family says there is no hard evidence to support those allegations. Under Swiss banking law, the government can keep any money shown to be drug-tainted.

"My money in Switzerland is honest money, and by this time they should know it," Mr. Salinas wrote. "I have never taken a peso from a public budget or a drug dealer, and I believe the charges against me are false and will be defeated."

He said, as he has in the past, that most of the money deposited in Switzerland was put up by private Mexican investors for an investment fund that he planned to begin using to finance international trade projects in Mexico after his brother's term was over.

"I was in charge of finding good investment opportunities, and I was very well positioned for that," Mr. Salinas wrote, although he did not mention any specific project he was considering. "But my arrest on Feb. 28, 1995, stopped everything."

Mr. Salinas declined to specify how much of the money in the Swiss accounts belongs directly to him and exactly where he got it.

His comments left other questions unanswered. No contracts were signed to establish the fund, formalize the transfers to Mr. Salinas, or detail planned investments. The dollar transfers, made in the months just prior to a devastating peso devaluation in Mexico, passed through a web of off-shore front companies into Swiss accounts that Mr. Salinas opened using a fake passport.

"They trusted me," Mr. Salinas said of his partners, in his only explanation for the secrecy and informality of the transactions.

هكذا من الأصل

صكنا من الاصل

Pope Concedes Christians Advanced Anti-Semitism

He Blames 'Wrong' Bible Interpretations

By Celestine Bohlen
New York Times Service

ROME — Speaking at a theological symposium on the origins of anti-Judaism, Pope John Paul II said Friday that certain Christian teachings, based on "wrong and unjust" interpretations of the New Testament, had helped contribute to the Holocaust and the persecution of Jews in Europe over the centuries.

As he has done several times before, the Pope, 77, condemned anti-Semitism as "totally unjustifiable and absolutely condemnable," and called it a "pagan" notion contrary to Christian doctrine.

His address — delivered before a group of 60 Christian theologians — broached the subject of the historic role of certain Christian teachings in the fomenting of anti-Semitism. But it stopped short of the kind of direct apology that many Jews still hope to hear from the Vatican, both for its muted protests during the Holocaust and for its centuries-old tolerance of anti-Semitism in its ranks and in its liturgy, which — until 30 years ago — contained references to "perfidious Jews."

The three-day symposium, which has been meeting behind closed doors since Oct. 30, is part of what John Paul called a general "examination of conscience" that is necessary as Christianity prepares to celebrate its third millennium. Its purpose, which is more theological than historical, is to examine Christian thought for prejudice against Judaism, as well as against Jews.

In the text of the Pope's comments, made public Friday in French by the Vatican, the Pope joined other Roman Catholic theologians in acknowledging that by blaming the Jews for the death of Jesus, certain Christian teachings had helped fuel anti-Semitism.

"In the Christian world — I do not say on the part of the church as such — the wrong and unjust interpretations of the New Testament relating to the Jewish people and their presumed guilt circulated for too long, contributing to feeling of hostility towards these people," he said.

"These contributed to soothing consciences, to the point that when a wave of persecutions swept Europe fueled by a pagan anti-Semitism — which in its essence was equal to anti-Christianism — next to those Christians who did everything to save the persecuted at the risk of their own lives, the spiritual resistance of many was not that which humanity expected from the disciples of Christ," he said.

Later in his address, the Pope, who during the 19 years of his pontificate has made significant progress in improving relations between the Catholic Church and Jews, again emphasized the common heritage that binds Christians and Jews. On Friday, he said those who consider Jesus's Jewish heritage as a "simple cultural accident" do a disservice to history, and to Christianity.

The Vatican has long been reported to be working on a document that examines the overall role of the church, and Pope Pius XII, during the Holocaust, from the faint protests raised by the Vatican, to the complicity of Catholic officials in protecting Nazis, to the widespread use of monasteries and convents in some Catholic countries to protect Jews fleeing Nazis.

Hamas Threatens A 'Big Operation'

Reuters

JERUSALEM — The military wing of Hamas said Friday that Israel had "one last chance" before the Islamic fundamentalist group unleashed a "big operation" against the Jewish state.

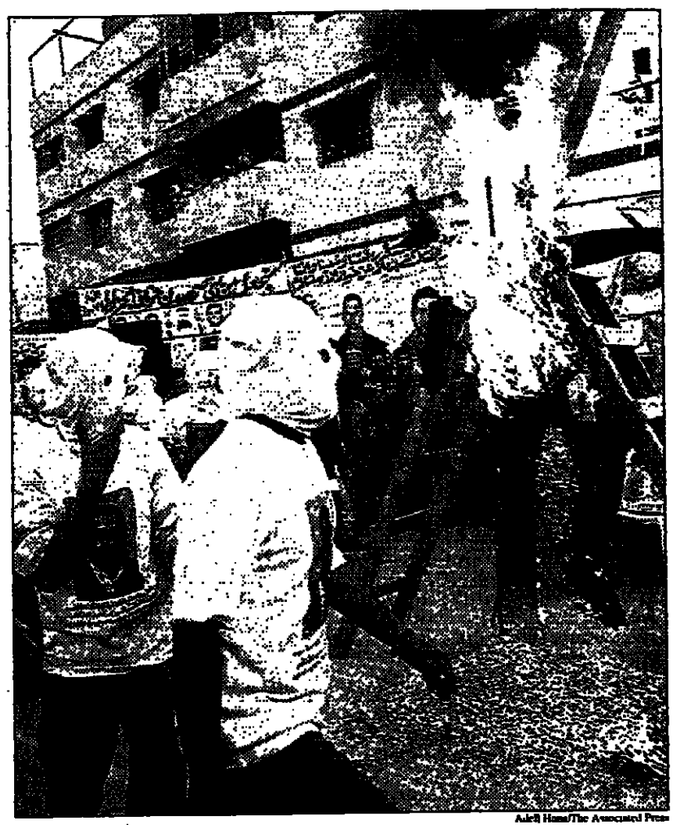
"Our military ability is more than you can imagine," Hamas's military branch, the Qassam Brigades, said in a statement. The organization has killed scores of Israelis in suicide bombings.

"You have one last chance before we carry out the big operation, which will not be stopped unless you immediately agree to our just demands which we declared in the last military statements," it said in what appeared to be a reference to its insistence that Israel free Palestinian prisoners, including Hamas activists.

Qassam said it would suspend attacks against Israeli nonmilitary targets "if the other party declares its full commitment to stop its attacks on our civilians, in all their forms, including killing, destroying houses, confiscation of land, and others."

The warning was issued as Israeli and Palestinian officials prepared for U.S.-mediated talks that are scheduled to open in Washington on Monday. A main sticking point in the troubled peace talks has been Israel's refusal to make concessions until the Palestinian leader, Yasser Arafat, cracks down on Hamas.

"The ignorance of the enemy government concerning the liberation of our hero captives will be paid for in the price of pain, sorrow, and blood," Qassam said.



Adel Hana/The Associated Press

Masked members of the hard-line Islamic Jihad in Gaza dancing around a burning effigy of Prime Minister Benjamin Netanyahu on Friday.

Iraq Says It Is Prepared To Face Military Strikes

Compiled by Our Staff From Dispatches

BAGHDAD — Iraq said Friday that it was ready if necessary to face U.S. military action over its banning of Americans from United Nations arms inspection teams, while Russia and France expressed hope the crisis would be resolved peacefully.

"If the United States wanted to take action, and that action is military or otherwise, Iraq is ready to stand against any move against it," said Sultan al-Shawi, chairman of the Legal Committee at the Iraqi Parliament.

The United States and Britain said Thursday that they did not rule out any option, including the possible use of force, to bring the Iraqi leadership back into line.

But Washington indicated it wanted diplomacy to resolve the crisis.

At the United Nations, the Security Council was to meet Friday afternoon to discuss a response to Iraq. On Thursday, Iraq barred two American members of the UN weapons inspection team, who had arrived aboard a UN plane.

The Iraqis have given the 10 Baghdad-based Americans on the 40-member team one week to leave the country, severely impairing UN efforts to judge whether Iraq is still hiding banned weapons.

On Friday, Moscow said it strongly opposed military action against the Iraqis, while Paris appeared to climb down from a tougher line and said it wished to explore all possible ways of avoiding confrontation.

"We are against any use of force against Iraq," Foreign Minister Yevgeni Primakov of Russia said in Cairo, adding he was very much concerned by Baghdad's decision.

In Paris, the Foreign Ministry spokesman, Jacques Rummelhardt, said, "France seeks to avoid an escalation."

He refused to say whether France would back military force. He said the initiative to solve the crisis "must be taken by Iraq" and "there is no other means" available except for the Iraqis to back down.

At the United Nations, Western diplomats were considering resubmitting a U.S.-British resolution threatening to ban Iraqi military and intelligence officers from traveling abroad, unless they cooperated fully with the inspection team.

The resolution was approved last week but with five abstentions — Russia, France, China, Egypt and Kenya.

U.S. officials believe Iraq's move to get rid of the American inspectors was spurred by the division within the council over that resolution.

Oil prices moved higher on Friday, with traders keenly watching the Iraq dispute. *(Reuters, AP)*

BRIEFLY

Pakistan Leader to Appoint Judges

ISLAMABAD, Pakistan — Prime Minister Nawaz Sharif agreed Friday to appoint five new Supreme Court judges, bowing to a demand by the country's chief justice after weeks of a constitutional crisis.

Mr. Sharif told Parliament he did not want to waste time in controversies and had decided to implement the recommendation of Chief Justice Sajjad Ali Shah.

The announcement reversed Mr. Sharif's position Thursday, when he sent a letter to President Farooq Leghari asking him not to implement a Supreme Court order to appoint the new judges.

The prime minister had said in the letter that the court order, issued Thursday morning, was "passed in violation of the principles of natural justice" and "is not legally enforceable."

But Friday, Mr. Sharif said in his speech that his Pakistan Muslim League party and its allies had decided in the "wider national interest" to implement the chief justice's recommendations. *(Reuters)*

3 Deputies Quit Seoul's Main Party

SEOUL — Three legislators broke away from South Korea's governing party Friday, deepening a split within its ranks with a presidential election only 48 days away.

The defections cast further doubt on the ability of the New Korea Party to retain the nation's highest office, which has been held by the same political forces for decades.

Two senior party lawmakers, including a former parliamentary speaker, quit earlier this week and local newspapers say 20 more are expected to withdraw next week.

All are loyal to President Kim Young Sam, who is at odds with the party's presidential nominee, Lee Hoi Chang. Mr. Kim's single five-year term ends in February.

The chaos within the governing party stems from its presidential nominee's low popularity in polls ahead of the Dec. 18 election. A sense of defeat is spreading in the party. *(AP)*

For the Record

Unidentified gunmen shot and killed five activists of a major political party in eastern India on Friday, the United News of India news agency reported. The victims were members of the Samajwadi Party, a key partner in India's governing coalition. *(AP)*

A car bomb exploded Friday in a market in Srinagar, India, killing at least two security force members and wounding 14 people, the police said. No group has claimed responsibility for the blast. *(Reuters)*

General Ricardo Izurieta was picked Thursday in Santiago to succeed the outgoing army chief, General Augusto Pinochet. General Izurieta is widely considered to be untainted by Chile's 17 years of military rule. *(AP)*

smiles

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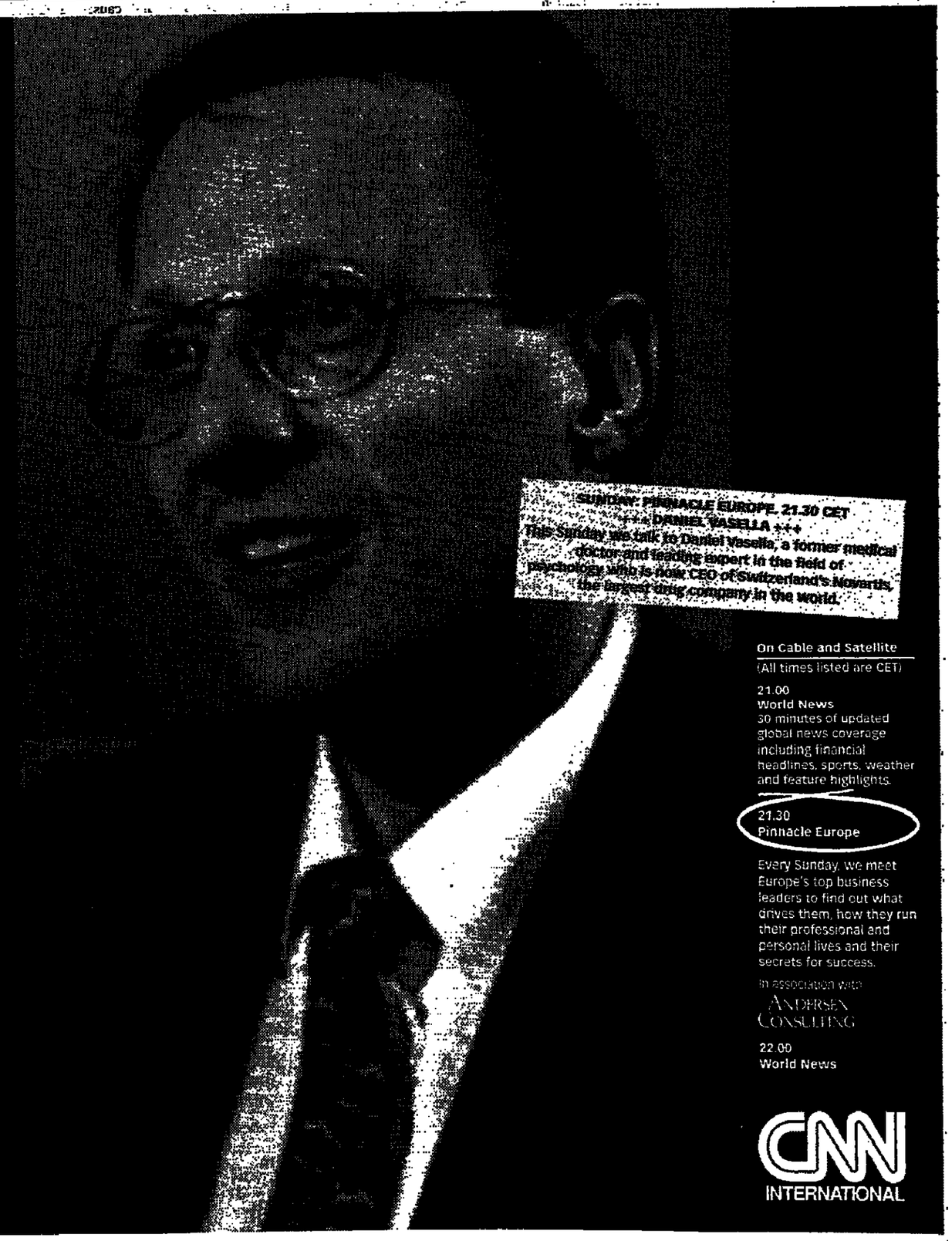

SUNDAY: PINNACLE EUROPE. 21.30 CET
+++ DANIEL VASELLA +++
This Sunday, we talk to Daniel Vasella, a former medical doctor and leading expert in the field of psychology, who is now CEO of Switzerland's Novartis, the largest drug company in the world.

On Cable and Satellite
(All times listed are CET)

21.00
World News
30 minutes of updated global news coverage including financial headlines, sports, weather and feature highlights.

21.30
Pinnacle Europe
Every Sunday, we meet Europe's top business leaders to find out what drives them, how they run their professional and personal lives and their secrets for success.
In association with ANDERSEN CONSULTING

22.00
World News

CNN INTERNATIONAL

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Awkward Summit

Jiang Zemin left Washington intending to visit the Liberty Bell and Independence Hall in Philadelphia. Now more than ever, you have to wonder why he chose such icons of democracy for his first U.S. tour. His comments before and during his visit have shown no understanding of or sympathy for the values they commemorate.

Wei Jingsheng, the courageous and nonviolent spokesman for freedom of speech, is being "tortured to death" in jail, as his onetime assistant Tong Yi said on Wednesday; but President Jiang maintains that Mr. Wei is nothing but a common criminal. Monasteries are being shut, and monks and abbots tortured and incarcerated, in Tibet; Mr. Jiang assures us that Tibet enjoys "religious freedom." In Tiananmen Square in 1989, the army shot hundreds of unarmed civilians demonstrating for democracy; Mr. Jiang defends the maintenance of "social stability" and "state security."

None of this should come as a surprise. President Bill Clinton is correct that greater democracy and freedom would be in China's own long-term interest. But President Jiang, making his own personal calculation as top banana in a one-party dictatorship, is no doubt correct that more democracy would not be good for his own situation.

Does that mean that Mr. Clinton was wrong to welcome the Chinese leader to the White House? No. The summit on Wednesday was certainly worth holding. China, with one-fourth of the world's population and a rapidly growing economy, is too big to ignore — and that is true whether or not you accept the Clinton administration's thesis that trade and diplomatic engagement are likely to promote political openness inside China.

The two powers do have common interests. Protecting the global environment is one, and the two leaders made progress on finding ways to work together in that sphere. Agreements to increase U.S. aid and advice to the Chinese judicial and legal systems, and to promote exchanges of various kinds, can only be positive. Similarly, the establishment of a hot line for exchanges between leaders, and of new rules to prevent incidents at sea between the two navies, can help avoid misunderstandings between two nuclear powers.

None of these is a major breakthrough, nor did Mr. Clinton present the deals as such. The most substantive accomplishment of the meeting and the pre-summit preparation, having to do with nuclear cooperation, will also be the most controversial. Mr. Clinton said he will certify that China is no longer contributing to the spread of nuclear weapons to other nations, thereby allowing U.S. companies to compete to build peaceful nuclear reactors in China. This may or may not be a justifiable step, but Congress should examine carefully the commitments that the administration claims to have received.

China has moved in the past few years from an avowed proliferator to a self-declared responsible member of the nuclear club. It has signed test ban and nonproliferation treaties. Last year it promised not to help nuclear programs that do not fall under international inspection (Pakistan), and now it has extended that promise to programs that do (in Iran). Moreover, the reactors that the United States is now prepared to sell China would in no way improve its military capability. If U.S. intelligence detects that China is not keeping its word, U.S. cooperation can be stopped. That should surely be an explicit condition of any agreement.

Why is it so difficult to work up any enthusiasm for the accord, or for the summit in general? One reason is the lingering suspicion that Mr. Clinton has become so set on developing warm relations with China that his administration would be tempted to overlook cheating in the future. Another is the undeniable fact that this summit produced progress in nuclear cooperation (good for Westinghouse), commercial aviation (good for Boeing) and tariffs on high-tech products (good for IBM and Motorola), but no progress on human rights. Not only were no dissidents released, but there was no movement on a framework that might point to future progress — nothing, for example, on Red Cross access to Chinese prisons and labor camps.

More broadly, this relationship will continue to make Americans uncomfortable, because in the end human rights are not just one strand — as the administration maintains — among many in a complex bilateral relationship. The term "human rights" is shorthand for the wretched condition of political dissent and unimpeded religious practice and freedom of speech in China. Until this situation changes, all summits will have this same kind of asymmetry that will color whatever progress may be made.

— THE WASHINGTON POST.

Saddam Goofs Again

Has Saddam Hussein again overplayed his hand? This is how he brought on the Gulf War that reversed his takeover of Kuwait. Now, by his handling of the consequences of that war, he has reunited at least temporarily the coalition that defeated him.

He has done this just at the moment when the coalition was beginning noticeably to fray. As long as his immediate target was the United States, he was making progress in breaking out of isolation. Even his Arab adversaries in the war were coming to believe that UN sanctions imposed an unfair burden on the Iraqi people, and to blame Americans for it. He was riding the tide of Arab disappointment with the way American-favored Israel has been handling regional peace talks.

Just a few days ago Russia and France, among other Security Council members, abstained on an American-written resolution calling the Iraqi dictator to account for confounding UN arms inspections.

That is where Saddam Hussein went wrong. By threatening to bar Americans from inspection parties, he meant to be playing with the United States. Actually, as everyone quickly grasped, he was toying with the United Nations.

For a country targeted by a UN resolution to be allowed to pick and choose from duly prescribed enforcement players and tactics goes to the core issue of institutional integrity. An organization that would permit a precedent of this sort identifies itself as terminally ineffective. Many people have grievances against the United Nations. No one wants to destroy it. Even the French and Russians, whose own earlier policy may well have encouraged this latest Iraqi defiance of an international mandate, agree that here the UN writ must run.

Having unmasked Saddam, the United Nations must insist on his full compliance with its directives on arms inspections. He is being held to account, after all, not out of American pique but because of a long-established, internationally certified record of menace and deception.

Typically, on Thursday he barred not just two Americans from the UN inspection commission but also a third American, from the International Atomic Energy Agency, who had been told he could stay. The Iraqi people are indeed suffering, but not from American calculation — from Saddam Hussein's own refusal to give the inspectors Iraq's due respect and consent.

— THE WASHINGTON POST.

Other Comment

The Baby Needs Hugging

Research into human behavior often has a wonderful way of validating common sense or intuitive understanding. As all caring mothers and fathers know, infants like to be held and caressed, and they tend to be happier for that. Now studies show how the absence of tactile contact can make not just for a cranky baby but for changes in the child's brain biochemistry. That in turn can lead to lifelong intellectual, behavioral and physical problems.

Research presented at a meeting of the Society for Neuroscience in New Orleans illuminates the biochemical consequences of neglect. Children who are deprived of regular reassuring physical contact were found in one study to have levels of stress hormones far higher than normal. These can lead to impaired growth and development of both the brain and the body. Too many infants continue to be denied the affection that is vital to their development. Their lives are scanted by neglect.

— Los Angeles Times.

Herald INTERNATIONAL Tribune

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Take It From LBJ: China Ought to Be Engaged

By David S. Broder

WASHINGTON — During the controversy surrounding Bill Clinton's meeting with Jiang Zemin, I have been thinking about a passage in Michael R. Beschloss's splendid new book "Taking Charge," the edited and annotated volume of secret tape recordings of telephone calls and conversations of President Lyndon Johnson.

On Jan. 13, 1964, less than two months after the assassination in Dallas made him president, Mr. Johnson is talking to his Senate mentor, Richard Russell of Georgia, the pillar of conservative common sense and at the time very possibly the single most influential Democrat on Capitol Hill.

Mr. Johnson has called him to complain that French President Charles de Gaulle is "going to recognize Communist China" and to ask "whether I ought to protest it rather strongly" or let it go with a routine State Department statement of regret.

Mr. Russell says: "I wouldn't go too strong on it, Mr. President ... We've really got no control over their foreign policy." And then he adds: "We can't talk about it now, but the time's going to come when we're going to have to recognize Red China."

Johnson: "I don't think there's any question about that."

Russell: "I ain't too sure but what we'd been better off if we'd recognized her three or four years ago."

Johnson: "I think so."

Russell: "Politically, right now, it's poison, of course."

Mr. Beschloss, in one of the many footnotes that provide context for these fascinating and often frighteningly candid conversations, notes: "Had Johnson's private view that the United States should have recognized Communist China in 1960 or 1961 become known to Americans at the time, it would have started a national firestorm among conservatives."

That is no exaggeration. Barely a decade after U.S. troops had fought Chinese forces in the Korean War, and at a time when patriotism was measured almost as much by support for Taiwan as for a free Berlin, it would have been a shock to most Americans that people as strongly identified with military preparedness and militant anti-communism as President Johnson and Senator Russell would have been talking about the desirability of establishing normal diplomatic relations with Beijing.

The lesson of Mr. Beschloss's marvelous book is that, however much they may dress up their positions in public rhetoric, in their private moments politicians and presidents know that they have to deal with the facts of life.

My guess is that President Clinton has taken an equally hard-nosed stance toward the impressive array of human rights and religious freedom defenders, the coalition of liberals and conservatives who were on the streets and all over the airwaves protesting his dealing with President Jiang.

History also buttresses Mr. Clinton's contention that, however wide the gap in values and practices between America and China, it is almost surely more dangerous to America's interests to shun that country than to engage it.

About the Vietnam War, the conversations in "Taking Charge" make abundantly clear, Mr. Johnson had the gravest private doubts. What kept him from following his impulse (and the counsel of his friend, Mr. Russell) to leave Vietnam rather than escalate that conflict was in large part the belief that a pullout would be seen as another victory for the Chinese Communists.

That view, we now know, was based on an erroneous assumption that Hanoi was as much an agent of Beijing as North Korea had been. Would U.S. policy have been as far off-base if the United States had had a diplomatic mission in Beijing, dealing face to face with Chinese leaders? It is impossible to say, but it is certainly plausible to presume that better intelligence could have avoided that tragic miscalculation.

The protesters served America this past week, as they did during the Vietnam years, by loudly demanding that foreign policy reflect America's professed values. It was important that their voices be heard when so much of the Jiang Zemin visit was made up of cheap public relations stunts. The idea that putting him in a three-cornered hat in Williamsburg or trying to pose him next to the Liberty Bell in Philadelphia would make us think better of his repressive regime is insulting.

But presidents, as Mr. Beschloss reminds us, must deal with realities or face the consequences. And China is one of the biggest realities around.

The Washington Post.

East Asia's Economies Need Improved Financial Regulation

By Joseph Stiglitz

WASHINGTON — As East Asia's financial turmoil continues to unfold, pundits have been quick to pronounce the end of the region's economic "miracle." Some have even declared that there never was a miracle, only a mirage. Nothing could be further from the truth.

East Asia's amazing economic transformation in the last few decades has been real. The current problems, however, require immediate attention to ensure the continued advancement of the East Asian — and global — economies.

For 25 years, East Asian economies have grown more than twice as fast as the average rate for the rest of the world. Hong Kong now has a higher per capita income than France, Germany or the United Kingdom. Malaysia and Thailand have virtually eliminated absolute poverty (defined as people living on less than a dollar a day), and in Indonesia the poverty rate dropped to 11 percent in 1995 from 64 percent in 1975.

These successes have been fostered by sound fiscal policies, low inflation, export-driven growth and effective institutions, which in turn helped make East Asia the world's leading recipient of foreign investment. The region attracted more than 40 percent of private capital invested in developing countries in the 1990s, or $109 billion in 1996 alone.

Moreover, the region's high savings rate, more than one-third of GDP, is six times foreign investment. These savings have made possible a high and increasing level of investment, most of which has been put to good use in areas such as education and training.

Recent developments, however, underscore the challenges presented by a world of mobile capital — even for countries with strong economic fundamentals. The rapid growth and large influx of private investment created economic strain. That has been worsened by two external developments.

First, there was a slowing of global demand for imports, especially for some of East Asia's most important exports, notably semiconductors. Second, the dollar rose 50 percent against the yen, undermining the competitiveness of East Asian countries, since most had tied their currencies to the dollar. As a result, trade deficits have increased in most countries, raising concerns about economic stability.

In addition, heavy foreign investment combined with weak financial regulation to allow lenders in many Southeast Asian countries to rapidly expand credit, often to risky borrowers, making the financial system more vulnerable.

In Thailand, for instance, banks and other financial institutions took out large, short-term, dollar-denominated loans from foreign lenders, then relent the money to fuel a domestic real estate boom and stock market speculation.

Inadequate oversight, not overregulation, caused these problems. Consequently, our emphasis should not be on deregulation but on finding the right regulatory regime to re-establish stability and confidence.

Contagion has also played an important role in spreading and magnifying the current crisis, putting pressure even on fundamentally strong economies, as nervous investors moved money out of emerging markets throughout the world. Certainly on Thursday, Oct. 23, we learned nothing that would have justified the huge sell-off of Hong Kong stocks.

Still, developing countries are susceptible to sudden and sizable drops in asset values because their economies are vulnerable, with thin markets and often spotty information.

Research by the World Bank not only has identified pivotal factors contributing to financial crises, including sharp rises in interest rates, but also has shown that the crises usually lead to long periods of slow growth.

The World Bank and its partners should be seeking to minimize this slowdown and strengthen financial systems to reduce the likelihood and severity of future crises, while enhancing their ability to finance investments that will promote economic development.

Meanwhile, the weaknesses of East Asian economies must be addressed. Governments must eliminate extravagant public spending and redeploy resources to productive uses, such as improving infrastructure and education. Maintaining a strong economy, however, is essential to restoring confidence.

Building robust financial systems is essential. Mexico's crisis in 1994-1995 taught us the importance of disclosure and transparency, so that investors can make informed, sensible decisions, confident that they have enough data to do so.

Asia's experience shows that a sound legal structure, effective monitoring of financial activities and healthy competition are preconditions for efficient and resilient financial systems.

A determination to build these institutions, together with external policies that encourage stable long-term capital flows (particularly of foreign direct investment) while discouraging rapid round-trips of short-term money, will go a long way toward allowing any economy to enjoy the benefits of international capital while avoiding the instability that it can engender.

The writer, senior vice president and chief economist of the World Bank, contributed this to The New York Times.

A Job for APEC Leaders in Vancouver

By C. Fred Bergsten

WASHINGTON — The turmoil in East Asian currency and stock markets has underlined the need for the Asia-Pacific Economic Cooperation forum to create new arrangements to help prevent and respond to future monetary crises.

They should be launched at this year's APEC summit meeting, to be attended by President Bill Clinton and leaders of the other 17 members of the group in Vancouver on Nov. 25.

The arrangements, proposed recently by a panel of independent experts from leading research institutions and universities throughout the Asia-Pacific area, would reinforce the efforts of the International Monetary Fund to avoid and contain crises in the region.

First, they would apply peer pressure to persuade member countries to deal with their economic problems in a timely manner, including through the advice of the IMF, thus preventing major financial disruptions of the kind that spread widely in East Asia after Thailand was forced to let its currency start falling on July 2.

In the current case, the IMF provided sound advice well in advance of the crisis, but Thailand failed to act.

Strong encouragement from other countries in the region might have translated the IMF's proposals into effective preemptive action. The proposed APEC mechanism would fill this critical gap in the present early warning system.

Second, APEC could provide supplementary funding to support effective adjustment programs by member countries.

It would be much better to have additional funding available on a standby basis to buttress IMF programs, rather than having to cobble it together hastily in the face of a crisis, as Japan did for Thailand recently and the United States did for Mexico in 1995.

The availability of such funding would increase the prospects for successful use of APEC peer pressure.

The new arrangements would build on the intensive cooperation already developed by APEC ministers of finance, who have been meeting annually since early 1994. Their deputies meet even more frequently.

The arrangements would operate soley in conjunction with programs supported by the IMF. This would avoid the risk of "moral hazard" — the concern that creation of any such financing facility would increase the probability of future bailouts, thereby encouraging countries to maintain irresponsible policies and foreign capital to continue to invest in places whose position was becoming unsustainable.

There has been widespread discussion, including at the recent annual meetings of the IMF and the World Bank in Hong Kong, of the possible creation of emergency financing arrangements. But no consensus has been reached on their institutional locus.

APEC includes all the Asian countries that have been involved in the recent crises or might suffer such problems in the future. It also includes all the major potential creditor countries in the region.

There would be another major benefit from creating new APEC financial arrangements. In doing so, the Vancouver summit could play a crucial role in sustaining APEC's progress toward achieving its goal of free and open trade and investment in the region by spurring successful conclusion of the negotiations in the World Trade Organization to liberalize financial services sectors.

Some countries have hesitated to proceed with financial reform because of fears that further opening of their markets to foreign institutions might increase their exposure to future attacks on their currencies.

Having the new APEC financial arrangements to prevent and deal with such events would help reassure them that they would be protected against any adverse repercussions of liberalization.

The writer, director of the nonprofit Institute for International Economics in Washington, contributed this comment to the Herald Tribune.

The Nuclear Cold War Isn't Over

By Stephen S. Rosenfeld

WASHINGTON — With the ending of the Cold War, the nature of the nuclear dilemma changed from the possibility of general war to the possibility of accidental launch or rogue attack. Some believe that the change opened the way to a wholesale revision of the American nuclear posture — taking all warheads off virtual hair-trigger alert, shrinking the arsenal swiftly toward zero weapons, ending the strategy of threatening massive nation-destroying retaliation, and agreeing not to use nuclear weapons first.

From an interview I have had with Defense Secretary William Cohen, it is clear that hopes for these sorts of sweeping change have no home in the Clinton administration.

Whether this is for better or worse remains to be explored. What is clear is that this administration and this defense secretary have confirmed the deliberate, incremental, by-negotiation approach already being followed.

In short, for now America is, and for many years will be, ready however improbably to fight Russia or China or a rogue or terrorist in the instant massive Cold War way.

Mr. Cohen, who has a political head, figures that things will go well enough in Russia's dusty Duma and that grand negotiations with Moscow will resume and march ahead. Even so, Bill Clinton by the end of his presidency will still have thousands of on-alert weapons in hand and a strategy that permits him to make any nuclear launch that he initiates totally devastating. Deterrence of the old school lives.

A student of nuclear matters since his Senate days, Mr. Cohen challenges "the premise that somehow we are still locked into a pro-war mentality." He is ready to list the lesser, although to him "significant and dramatic," de-alertings and dismantlings of Mr. Clinton's making. These are steps taken in the name of the familiar twin goals of crisis stability and deterrence.

Mr. Cohen entertains the hope of following Ronald Reagan and Bill Clinton's sometime aspirations for zero nuclear weapons — by negotiation with Russia, when new technology has produced a new non-nuclear deterrent, in the "indefinite future."

In the here and now, he is deeply and personally engaged in pressing with Moscow a "nuclear surety program" to ensure on-site safeguards covering the two arsenals' personnel, physical security and oversight. The American and Russian strategic commands, hot after "transparency," have just agreed to an exchange of experts in this field.

Deterrence is much on his mind. He worries a bit abstractly that at lower numbers each warhead becomes a more attractive target: "You actually increase the hair on the trigger, put more tension on it."

He believes that U.S. nuclear "ambiguity" helped keep Saddam Hussein from using chemical and biological weapons on U.S. troops. Had the United States embraced a doctrine of no first nuclear use (it does have a policy precluding first nuclear attack), it would have lost a useful deterrent in the Gulf War.

Is not this validation of nuclear arms a rationale that other countries could use for going nuclear? No "abolitionist" himself, Mr. Cohen says that "the way we maintain deterrence is that we have a very strong deterrent."

Could he imagine counseling the president to launch a nuclear attack? "It would depend on the scenario. If I found that there were 3,000 ballistic missiles on the way ..."

He would prefer, he says, to get the numbers down to deal with Russia-type threats and to hedge against "accidental limited types of launches" by the kind of ballistic missile defense that will be coming up for decision in Washington after two more years of research and development.

Is there not a contradiction between hoping to eventually negotiate one's way to zero level globally, and permanently retaining a U.S. nuclear deterrent? Not for Secretary Cohen. He wants "to make sure we have something to deter massive conventional war." He added: "Hopefully ... in a very short period of time, technology will bring us techniques and technologies other than nuclear weapons."

Don't imagine, he volunteers, that the Joint Chiefs are a barrier to the "national commitment to get lower and lower levels, to the point where we don't have them." Not so. "Their attitude has been one of, O.K., let's see how we can make it work."

I leave thinking that Mr. Cohen is not on all points persuasive but that he is a responsible steward of this vital area of national policy.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Dreyfus Affair

PARIS — Another person other than M. Scheurer-Kestner, Vice-President of the Senate, is convinced of the innocence of ex-Captain Dreyfus. Major Forcinelli, Director of the Cherche-Midi Prison, where the traitor was imprisoned, called upon M. Henri Rochefort to try to persuade him to help to obtain a reopening of the case. "I have not lived forty-five days near Captain Dreyfus," he said, "without informing myself. I have learnt terrifying facts. In order to prove to you that I believe in Dreyfus' innocence, I must tell you that I didn't fear to shake him by the hand before the assembled guard after his sentence."

1922: Fascist Order

BERLIN — The German ultra Nationalists see in the triumph of Mussolini the proof of the ultimate victory of the policy of force. The German Nationalists, including General Ludendorff, conferred with Mussolini, acquainting each other with Fascisti tactics. An officer in the entourage of General Ludendorff told that "The Italian uprising proves the futility of all Parliaments, and marks the beginning of their abolishment throughout all Europe. Germany needs a strong military dictatorship to suppress Bolshevism and restore order."

1947: Palestine Plan

LAKE SUCCESS, N.Y. — The United Sates suggested that if the proposed partition of Palestine is approved by the United Nations Assembly, the two new Arab and Jewish countries should become independent nations on July 1, 1948. Mr. Johnson proposed that the two countries become "absolutely sovereign and responsible for public order in their respective nations."

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Tokyo Art Festival Goes International

Fair Is Opened to Foreign Dealers

International Herald Tribune

TOKYO — An extraordinary event, unthinkable even a year ago, has taken place in the Tokyo International Forum Building, a $1.6 billion steel-and-glass contraption inaugurated in January on the edge of the Ginza.

Watched by international art dealers, their Japanese colleagues and high-ranking officials, Princess Hisako Takamodo on Wednesday cut the ribbon at the entrance to the Tokyo International Art Festival '97. Thus did the first ever high-level international art fair in Tokyo begin. It closes Monday at 3 P.M.

SOUREN MELIKIAN

Until this historic week, Japan was the most hermetically closed country to direct competition from foreign art dealers. That the Japan Fine Arts Dealers' League should have taken the initiative of inviting 20 foreign galleries to participate in the art festival alongside 56 Japanese galleries amounts to a revolution.

The driving force behind the cultural (and economic) earthquake is Chieko Hasegawa. A dealer in Impressionist, Modern and Contemporary Art since 1964 when she married Tokushichi Hasegawa, Chieko runs with her husband the Gallery Nichido founded in 1928 by Jin Hasegawa, Tokushichi's father. Within three decades, she turned the family concern into an international operation. The Galerie Nichido, which she opened in 1973 at 61 Faubourg Saint Honore, Paris, is a thriving business.

Fluent in English and French, the glamorous Chieko belongs to the tiny minority of Japanese women with a high profile. Straddling the boundaries of commerce and cultural activity, she plays a key role in the Nichido Museum of Art, a private foundation set up by the Hasegawas at Kasama, 120 kilometers (75 miles) north of Tokyo.

Why the sudden International Art Festival? The Japan Fine Arts Dealers' League, of which Chieko Hasegawa was elected president in 1994, is celebrating its 40th anniversary this year. And, Chieko adds, it seemed a good way to wake up the Japanese trade from its slumber.

The Western dealers whom she personally contacted responded with enthusiastic surprise. The Tokyo fair includes a few remarkable pictures. The display on the stand of Agnews of London is compact, but admirable. Giovanni Battista Piazzetta's "Annunciation," a deeply poetic composition with an angel hovering out of darkness toward a standing Mary, is there. So is Rubens's "Virgin and Child," painted around 1630. The earliest recorded Welsh landscape by Richard Wilson done around 1745, financially far removed from the $9-million Rubens, is every bit as rare.

The effort to display great pictures with an international appeal rather than works specifically aimed at the Japanese market is perceptible on several stands. Richard Feigen of New York displays a rare scene done by Delacroix remembering in the late 1850s the crossing of a ford he had witnessed 15 years earlier in a Moroccan mountainous setting. Across the stand, one can gaze at one of Gainsborough's exquisite small-size landscapes done around 1730 under Dutch influence.

The Galerie Beres from Paris has a small group of pictures and drawings aimed at the sophisticated connoisseur. The rare $700,000 pencil self-portrait done by Degas in 1855, the elaborate crayon sketch of a woman gleaning grain by Jean-Francois Millet and Maurice Denis's vertical landscape of 1894 at the height of the Nabis movement influenced by Japanese woodcuts (ukiyo-e) are small gems.

IN the majority, however, Western dealers chose their paintings to suit the Japanese taste as perceived by Westerners. Lefevre of London does it in grand style. Monet's "Effet de printemps a Giverny," dated 1890, sums up the essence of Impressionist landscape painting after the impact of pointillism had been absorbed — the brushwork has become very dainty. "Port Vendres," painted around 1906 in Fauvist colors by Andre Derain, is so sparse, concise and forceful in its brushstrokes that it could have been conceived to make Fauvism acceptable to Zen aesthetics.

Waring Hopkins, of Paris, a great connoisseur of Impressionism and an equally brilliant salesman, seems to have been torn by conflicting temptations. The connoisseur settled for Edouard Manet's portrait of Madame Michel Levy and the late Braque still life "Green Jug," painted in 1943 and enhanced later. The salesman, one suspects, had his say in the choice of large stereotyped Paris views by Utrillo or a late still life painted by Maurice de Vlaminck when he saw everything through a brown veil.

James Goodman's elegant solution was to bring over from New York a large Sam Francis of 1957, when the artist was in Japan, and the portrait of a woman by Picasso that is the man-on-the-street's idea of what Picasso is all about — the twisted face owes as much to Expressionism as to Cubism.

All the dealers I spoke with seem to feel that this art festival is a gamble. With the current financial crisis, the gamble looks a bit like Russian roulette. But no matter what happens in the short term, the long-term impact will be profound.

A sideshow to the fair that offers an overview of the work of Yuzo Saeki, unknown in the West but a celebrity in Japan, says a lot about the artistic direction the nation is heading for. Saeki, who arrived in Paris in 1923 at age 25 and met Vlaminck shortly afterward, spent the remaining five years of his life painting bleak Paris streets in a manner heavily influenced by the ex-Fauvist master.

Saeki's art is not great, but it symbolizes the ritual passage of Japan to the 20th century world. A host of contemporary Japanese artists on view in the art fair, likewise painting in a manner invariably reminiscent of some Western model, perform a similar function for the new generation.

The Japanese are thorough. They will want to dig ever deeper into the sources of their acquired modernity. They will buy better and better Western paintings even if, in the privacy of home, their own strong culture prevails. They will do in art what they do when dressing. Art dealers, take heart: There is hope.

Galerie Beres

"Les deux colombes," a Maurice Denis oil painting from 1894.

Postwar German Photography

From Somber Reflection to Banal Silliness

By Katherine Knorr
International Herald Tribune

BERLIN — The history of photography is a short one, and its position as an art form nebulous. Photography's documentary aspects mean that it is closely linked to world events on a vast and on a small scale. It is nevertheless startling to be reminded how badly the practice of photography has been mangled by the prosperity, cynicism and let's-all-be-creative nonsense of the 1960s. German postwar photography shows a trajectory much like that of the plastic arts, from somber reflection on human folly and grandeur, to the banal silliness and political sloganeering of the advertising culture. Here is an afterimage of society that bears witness to the globalization of intellectual conformity and bad taste, the great leap from horror to stupidity.

A large and revealing exhibition of German photography at the Martin-Gropius-Bau (to Jan. 11) traces the half-century since Germany's defeat, from the terrifying pictures of Dresden by Richard Peter — which in their gritty simplicity ask, why is man so fallen? — to the semi-pornography that pretentiously clamors for "freedom." It coincides with a series of small exhibitions in Paris that look at the 1980s in general and at individual photographers.

Because there are so many fine photographs in these shows, and so many awful ones, they unwittingly raise interesting questions about photography as art, about the uncomfortable place where technology meets talent. They also, as with the plastic arts, show up the almost strident need of photography curators and other fellow travelers to cut time into decades and schools and label the transitory as profound and eternal. Because there is more and more museum space in the world dedicated to photography and no great explosion of masterpieces, there is an obvious need to fill the space; some of the Paris shows make that painfully clear.

There are some marvelous pictures in Berlin: Aside from Richard Peter's famous view from the city hall of a destroyed Dresden (1945), his more graphic pictures of mangled metal rejoin Peter Keetman's sensational 1950s studies of motion and texture, like his "Lokomotive" (1958). Following in the industrial vein is the signature work of Bernd and Hilla Becher, which appears both in Berlin and in Paris: series of gigantic industrial structures such as water towers and coal bunkers, which achieve a kind of worn grace as the repetitive geography of everyday modern life. Andreas Gursky's photographs of a Siemens factory in Karlsruhe (1991), or of the Tokyo stock exchange (1990), are fine examples of the kind of artistic documentary photography Fortune magazine has been famous for over the decades. Thomas Demand's fabricated offices of paper and cardboard don't quite rise to anything, but the study of color and texture is interesting, and their very blandness is unpretentious.

There are stunning street scenes, notably Chargesheimer's "Strassenpassant" (1957), or Arno Fischer's East/West Berlin contrasts, the chauffeur-driven Mercedes and the vacant lot. Indeed, the bleakness of Berlin and other German cities is a topic that echoes throughout the Berlin exhibition, from Fischer to Evelyn Richter's "Musikviertel," where two boys bearing flags walk toward a fog-softened architectural monstrosity in Leipzig; to Ulrich Wust's stark Berlin, where a wide open space in front of oppressive high-rises seems as small and barred as a prison cell; to Christian Borchert's drab Dresden and Berlin stores and streets.

Museum Ludwig, Cologne

Chargesheimer's "Strassenpassant" (Passerby), shot in 1957.

There are also the goofy chaos-theory photographs of Bernhard and Anna Blume — shown in Berlin, and to be shown in Paris later this year — where the plain world of living room couches and lamps spins and spins.

THOMAS RUFF — whose work is included in Berlin, and featured on its own in Paris — is an interesting study in contradictions. It is one of those truths in the art world today that the more contemporary the art the more sycophantic and sophomoric the catalogue, and it is best not to read the reasoning behind his famously "objective" portraits and still lifes. Yet, it is Ruff's interiors and his night street scenes — rather than his well-known high-school yearbook pictures, or his stark, flat factories and apartment houses — that are his most interesting work. The interiors — narrow, slightly mysterious angles in bland or ornate rooms — project a late-20th-century version of Atget's Paris apartments, lives with all the coziness of plastic. The night scenes, photographed with Gulf War night-vision equipment, project in green light the eeriness of violent modern society.

Again and again, in these shows, the walls beg the question. What makes one photograph — Chargesheimer or, at his best, Borchert, among others — a little work of art, and makes others only sociology, a kind of diary of modern life that becomes dated like magazine-labeled "trends"? What makes one picture express the drab and dangerous lives of East Germans, and another just show teenagers with bad-hair lives? So much rock and fashion photography has played with the look of punks, shaved heads and sick-looking skin, that some of these photographs remind you vaguely of advertisements for a product you can't remember, maybe a cologne that says, hey, be yourself.

Like clothes, some of these pictures haven't aged well. There is a smugness to the "idealism" and political commentary, pop music hectoring disguised as political insight, that leaves an echo of Westernized Indian music. The photographs of Barbara and Michael Leisgen, shown in Paris, are in many cases hauntingly evocative, but the long exposures of the sun become boring — can you hear George Harrison? And there is always the temptation to lecture. What does "Apocalypse" — a series of photographs of ethereal trees with the signature sun spots, interrupted by the words Hiroshima and Mururoa — tell us? Set against European history, this Let's Save the World! cheerleading is pretty silly.

And then there is nakedness pretending to be shocking, pornography as "revelation," a chance for the photographer and his friends to expose for all the bourgeois to see their distinguishing characteristics.

In a vivifying contrast, one of the Paris shows displays the marvelous early-20th-century work of Karl Blossfeldt, whose plant photographs revealed shapes like ornamental ironwork. This is the world that needs saving.

In Paris, Maison Europeenne de la Photographie: "Allemagne, annees 80," "Barbara et Michael Leisgen" and "Karl Blossfeldt," until Nov. 9. Centre National de la Photographie: "Thomas Ruff," until Nov. 17, and "Anna et Bernhard Blume," Dec. 3 to Feb. 9.

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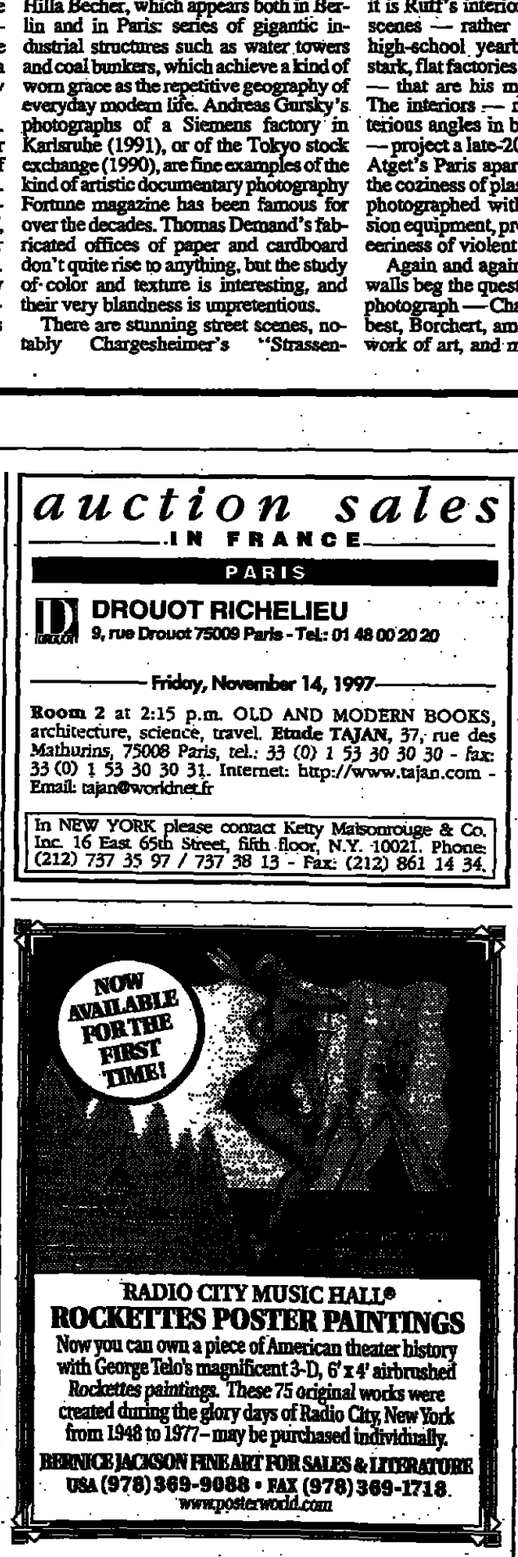

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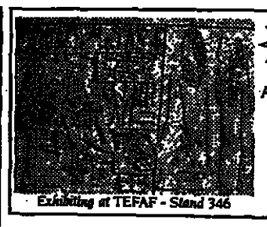

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Friday's 4 P.M. Close

The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
		A-B-C								
38¾	24¾	AAR	.48	1.3	24	129	35⅞	35¼	35¾	+⅛
25¾	15½	ABM	.40	1.5	24	85	27⅝	26¾	27⅝	+⅝
24⅞	18¼	ABN Am n	.56e	2.8	..	261	20⅛	19¾	19¾	+¼
101⅛	52¾	ACE Ltd	.88	.9	13	1073	93⅞	91¾	92¾	+⅛
11	10	ACMIn	.90a	8.3	..	519	10⅞	10⅝	10¾	+⅛
8¼	7	ACM Op	.63	7.8	..	296	8⅛	8	8⅛	[illegible]
10⅛	8¼	ACM Sc	.90	9.0	..	950	10	9⅞	10	[illegible]
7	6¼	ACMSp	.57	8.9	..	484	6½	6⅜	6⅜	[illegible]
15	11½	ACMMD	1.35	10.1	..	713	13⅝	13⅛	13⅜	[illegible]
10½	9¼	ACM MI	.90	8.9	..	190	10⅛	10	10⅛	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
		D-E-F								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		G-H-I								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		J-K-L								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		M-N-O								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 16

Herald International Tribune

BUSINESS/FINANCE

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SATURDAY-SUNDAY, NOVEMBER 1-2, 1997

Asian Gains And U.S. Data Help Calm Stock Prices

Compiled by Our Staff From Dispatches

NEW YORK — Upbeat U.S. economic data and gains on Asia's two biggest stock markets, Hong Kong and Tokyo, soothed stock markets in Europe and the United States on Friday.

The Dow Jones industrial average closed up 60.41 points at 7,442.08, while benchmark indexes in London, Frankfurt and Paris finished about unchanged. Trading volume was light at most exchanges.

"They're exhausted with this rocking horse we have," Brian O'Donnell, a dealer at Schroder Securities in London, said. "It is too much for most people, and they're glad to get home this weekend and hope it's better next week."

A sell-off in Asian stocks this week, led by Hong Kong, caused record-setting price swings around the globe. The Dow fell 554 points Monday, its worst point drop ever, then rebounded Tuesday with a 337-point gain, its biggest one-day rise in history.

"There's still a lot of jitters out there, which is causing volatility," said Brian Belski, technical analyst at Dain Bosworth in Minneapolis. "You don't have the huge moves we've seen this week and then just resume trading like nothing happened."

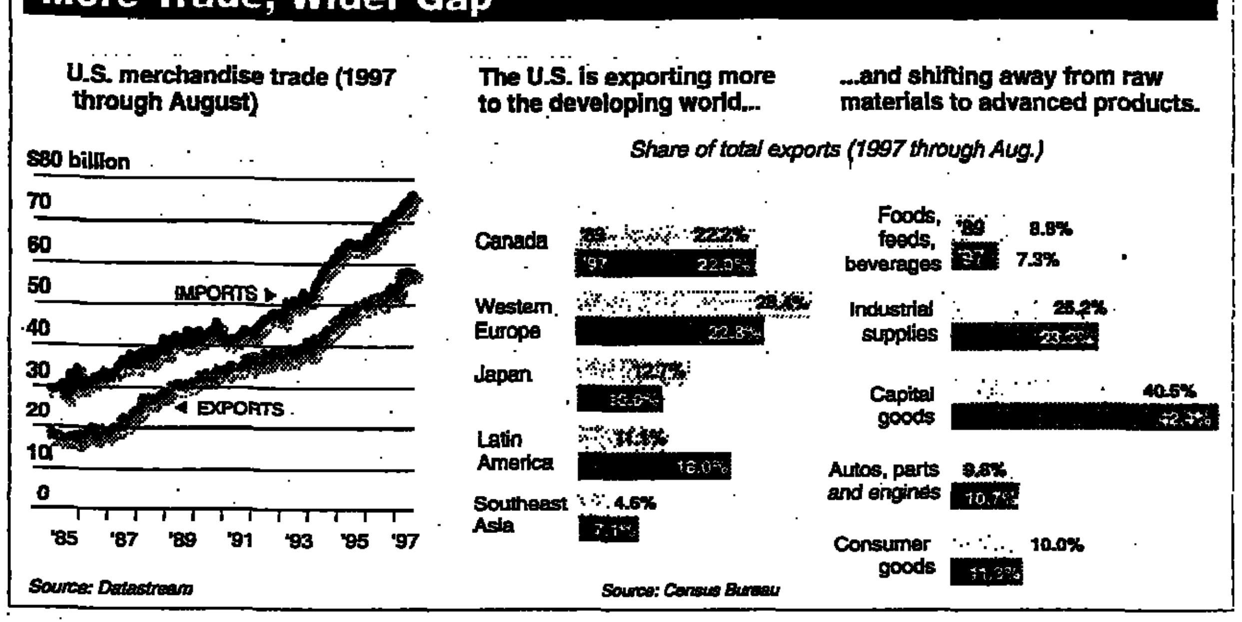
World financial markets have been casting a wary eye on Asia since July 2, when the floating of the Thai baht led to a round of currency devaluations accompanied by higher interest rates. That sent stocks reeling, because higher rates make borrowing more expensive and threaten to slow economies.

The Asian turmoil swept through the rest of the world this week.

"I don't think the fireworks have ended for sure," said Jim Benning, a trader at BT Brokerage in New York. "They're talking about deflation in Asia. It will have an effect on the U.S. economy. I don't think it's gloom and doom, but it will have an effect."

Regardless of the global economic picture, business conditions remain vigorous in the United States. The government estimated Friday that the economy grew an annualized 3.5 percent in the third quarter, fueled by the strongest consumer spending in five and a half years.

More Trade, Wider Gap



As U.S. Exports Boom, So Do Imports

But With Few Jobless, Record Trade Deficit Produces No Howls

By Louis Uchitelle
New York Times Service

NEW YORK — U.S. exports are booming, helping extend America's economic expansion into a record seventh year. But there is a downside to the U.S. export success story — more imports and a record trade deficit.

But in contrast to the furor that the trade gap created a decade ago, it is greeted across the United States today almost with indifference.

A stronger dollar — it has risen roughly 16 percent since mid-1995 when measured against the currencies of America's major trading partners — means that companies or countries that export to the United States need fewer dollars to make the same amount of profit in their weakened currencies. This means they can charge less for their products in the United States, encouraging Americans to buy more from abroad.

And for all the resilience of American exports, imports are rising even faster. That translates into a widening of the merchandise trade deficit, to a record $191 billion last year and a projected level of roughly the same this year, compared with $173.6 billion in 1995. The previous high, before the 1990s, was $159 billion in 1987.

Remember the eruption of U.S. attacks on Japan over that deficit in the 1980s? These finally disappeared in the early 1990s as the trade deficit narrowed and Japan's once-impregnable economy fell into decline. Now the deficit is rising again, even passing its 1987 level. But the dogs that barked so loudly in the 1980s are just beginning to arouse themselves.

A broader measure of America's international transactions is also going deeper into deficit. The current-account balance, which covers not only trade but other overseas transactions — tourism, investments, services, brokerage fees, international phone charges, even dollars sent by immigrants to families back home — was in deficit by $148 billion last year, and the figure could exceed $150 billion this year.

That is close to the record current-account deficit of $168 billion, also set in 1987, although it is much less as a percentage of the nation's annual income. Fortuitously for the American economy, the strong export performance this year — totaling $447.5 billion through August in merchandise alone, or 11 percent ahead of last year — acts as a brake on this rising deficit. Service-sector exports help, too. They are much smaller, but rising fast.

A decade ago, the national wail over the big deficit in U.S. international transactions held that Americans were, in effect, borrowing abroad to pay for a profligate lifestyle and that the next generation would have to repay the accumulating bill, reducing its own living standard to do so.

Such talk is all but forgotten today. The bulging deficit is billed as more of a blessing than a curse.

The old profligacy issue has given way to a more hopeful view of how the money is being used. Now, the money flowing into the country is said to be stimulating investment in American factory operations and other productive facilities.

"The earnings from these investments mean that going forward we will have the wherewithal to pay back the foreign debt," said Janet Yellen, who heads the Council of Economic Advisers.

A decade ago, the flood of imports meant, to many, that higher-paying manufacturing jobs were shifting abroad as imports replaced goods made domestically. Many, however, now argue optimistically that imports, far from crowding out domestic production, are a necessary and welcome supplement for an economy that is close to full employment. The imports, in this view, make up for any production shortfall.

Asia Currency Storm Batters Latin America

Compiled by Our Staff From Dispatches

BRASILIA — Brazilians awoke Friday to doubled interest rates, which were raised late Thursday by the central bank to try to fight off currency speculators who have already wreaked havoc in Asia and are now targeting Latin America's largest country.

Brazil's basic interest rate was raised to 40 percent a year from 20 percent. Analysts estimated that Brazil had spent as much as $8 billion over the past five days propping up the real, which some felt was overvalued by up to 30 percent.

The dollar was quoted Friday at 1.1060 reals, up from 1.1035 reals Thursday.

"The central bank decided to reconsider its monetary policy to preserve the gain from economic stability in the face of the current international financial crisis," said Francisco Lopes, an official at the central bank.

Bankers and brokers said they did not expect the government to devalue the country's currency in the near future, despite the recent turmoil in financial markets. But they said Brazil's defense of the currency through higher interest rates could slow economic growth in the coming year.

"The economy is going to be growing much slower, and there may in fact be a recession in Brazil next year," said Peter Allen, managing director and head of research for emerging markets at BancBoston Securities Inc.

Brazil's benchmark Bovespa stock index closed 1.49 percent higher at 8,986.33 points, but that was still down sharply from its close of 11,545.27 points a week ago.

The biggest concern of business leaders is that a collapse of the real would devastate the economy and drag all of Latin America into a prolonged recession like the one that followed the 1994 Mexican peso debacle.

President Carlos Menem of Argentina said Friday that President Fernando Henrique Cardoso of Brazil had called him to say Brazil would never devalue its currency.

"I spoke with the president of Brazil, a great friend," he said, "who told me in these very words, 'Carlos, we have no doubts about this. If we devalue, then you'll have to devalue and who knows where we will end up?'

"I told him we must stay firm and we'll overcome this crisis that is affecting the world," Mr. Menem said.

Argentina's market also has been vulnerable, with the benchmark Merval index closing up 4.4 percent, at 659.65. That is still down from 786.21 points a week ago.

See LATIN AMERICA, Page 12

Risks Haunt Big U.S. Banks

By Timothy L. O'Brien
New York Times Service

NEW YORK — Fears about the exposure of big U.S. banks to drops in overseas markets, especially in Latin America, are weighing on bank stocks.

Traders and bankers said Chase Manhattan Corp., the biggest U.S. bank, may be facing significant losses, at least on paper, in a currently less noticed part of the world — Russia.

Chase's shares fell 31.25 cents to close at $115.4375.

Traders and bankers said Chase had been hit in the past week from trading in the Russian equivalent of Treasury bills on top of even larger paper losses from Latin American securities.

It is not known how big the losses are or whether they would be material to a bank that last year had profit of $2.5 billion. But the setback illustrates the financial dangers facing companies that trade in emerging markets.

A Chase spokesman said it was company policy not to comment on any of the bank's market activities.

BankBoston Corp., BankAmerica Corp., Citicorp and J.P. Morgan & Co. are among others that have posted sharp drops over the past week.

Many of the biggest U.S. banks are active traders in the currencies and securities issued in emerging markets, and for many years they saw robust returns. But since a financial crisis began in Southeast Asia this summer, all emerging markets have been whipsawed.

Most of those banks have declined to discuss how they are faring in those markets.

ECONOMIC SCENE

OECD Sees Little Fallout From Asia

By Carl Gewirtz
International Herald Tribune

PARIS — The financial troubles of Southeast Asia are nothing more than a shadow over the upbeat growth prospects for industrialized countries, the Organization for Economic Cooperation and Development will tell senior policymakers at their semiannual meeting here next week.

The secretariat's assessment, prepared for the meeting of the group's economic policy committee Thursday and Friday, makes no changes in growth forecasts for OECD members this year and adopts a more buoyant outlook than its previous forecasts for next year. Its preliminary projection for 1999 is nearly equally favorable.

The OECD estimates that the Asian crisis will have a minimal impact on global growth — knocking a minuscule 0.2 percentage point off what growth might otherwise have been this year and next. The report, prepared using data available at the end of September, covers the big declines in Asian currency values that began in June. Since the report was finished, currencies have continued to depreciate, but at a modest pace relative to the losses registered during the summer.

The big question policymakers will have to address is the possible damage to the outlook that could result from the sharp drop in Asian stock prices that has occurred since mid-October.

Currently, the view at the OECD is that stock prices in industrialized countries have "corrected," or retreated from overvalued levels, and that this setback is of no major economic importance.

OECD specialists share the view that Alan Greenspan, the U.S. Federal Reserve Board's chairman, expressed at his appearance before the Joint Economic Committee of Congress this week. He suggested that declining stock prices could help take some of the steam out of the economy in the United States and Britain and possibly reduce the need for officials to raise interest rates.

In Continental Europe, the rush out of equities and into bonds could be especially helpful if it continues to push down long-term interest rates.

But the OECD's global estimate of the damage resulting from the Asian crisis hides some wide disparities. In the United States and the European Union, growth is projected as 0.1 percentage point below what it would otherwise have been this year and 0.2 percentage point lower next year.

The impact on Japan, South Korea, Australia and New Zealand, however, is depicted as twice as large or more — shaving 0.3 percentage point off this year's growth rates and 0.4 percentage point off next year's.

But globally, according to the organization's projections, the impact will barely be visible.

Growth this year and next year is running faster than expected in the United States and Europe. As a result, the forecast growth for all 29 OECD countries this year is 3 percent, unchanged from the projection made in June. The secretariat now expects the group's growth to hold at 3 percent next year — up from June's forecast of 2.7 percent — and then to moderate to 2.7 percent in 1999.

On the upside is stronger growth in the United States, now seen at 3.8 percent this year, compared with the June forecast of 3.7 percent, and at 2.8 percent next year, revised upward from 2 percent. In 1999, U.S. growth is seen slowing to 1.9 percent.

Estimates for the EU are modestly higher: 2.5 percent growth this year, compared with June's forecast of 2.3 percent, and 2.8 percent next year, up from the previous estimate of 2.7 percent.

The outlook for Japan has been revised sharply lower, but this is largely due to a long-running problem of lackluster domestic demand. This year's growth is now estimated at 0.8 percent, down sharply from the 2.3 percent that was expected in June. The figure for next year is 2.1 percent, down from the 2.9 percent projected then.

While depreciation of the yen is a "plausible means of achieving recovery," the study said, "on many measures, Japanese competitiveness already seems very strong" after an effective yen depreciation of 21 percent since mid-1995. Any further weakening of the yen "would risk generating trade tensions," it said.

Cézanne

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Paul Cézanne (1839–1906)
La Lutte D'Amour
Oil on canvas
17 3/8 by 22 1/4 in. (44 by 56.5 cm.)
Painted circa 1879–1880
Auction estimate:
$4,000,000–6,000,000

SOTHEBY'S

CURRENCY & INTEREST RATES

Cross Rates

Oct. 31

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9455	3.258	1.1270	0.3366	0.1149*	—	5.467*	1.3889	1.6159*	1.3795	1.335*
Brussels	35.55	59.5825	20.625	6.1545	2.1007*	18.2045	—	25.446	0.2959	25.27	24.44*
Frankfurt	1.7325	2.8855	—	0.2986	0.1023*	0.8869	4.8489*	1.2312	1.4355*	1.2255	1.184*
London (a)	1.6749	—	2.8842	9.6523	2,834.22	3.2544	59.5426	2.3416	201.681	2.3627	240.25
Madrid	145.58	243.774	84.463	25.217	8.484*	74.914	4.0951	104.134	121.095*	103.586	—
Milan	1,632.60	2,829.48	981.38	293.89	—	870.40	47.52	1,210.00	14.108	1,202.88	11.613
New York (b)	—	1.6755a	1.725	5.777	1,694.00	1.945	35.58	1.3985	120.40	1.4085	145.65
Paris	5.7732	9.667	3.3495	—	0.3412*	2.9708	0.1634	4.1296	4.8022*	4.1079	3.9655*
Tokyo	120.10	200.54	70.01	20.91	0.714	62.89	3.2955	86.19	—	85.29	0.8529
Toronto	1.4085	2.3571	0.8167	0.2439	0.0832*	0.7244	0.2959*	1.0063	1.1699*	—	0.946*
Zurich	1.3945	2.344	0.8118	0.2423	0.0826*	0.7185	3.9211*	—	1.1604*	0.9913	0.9688*
1 ECU	1.1420	0.6825	1.9607	6.5975	1,923.44	2.2200	40.6255	1.5976	137.384	1.6061	166.376
1 SDR	1.3836	0.8260	2.384	7.9879	2,341.17	2.6888	49.3053	1.9383	145.965	1.947	201.441

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers: New York and Toronto rates at 4 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	270.74	Mex. peso	8.33	S. Afr. rand	4.84
Australian $	1.4251	Hong Kong $	7.7210	N. Zealand $	1.6041	S. Kor. won	964.95
Austrian sch.	12.141	Hung. forint	194.73	Norw. krone	7.0058	Swed. krona	7.5142
Brazil real	1.106	Indian rupee	36.31	Phil. peso	34.80	Taiwan $	30.94
Chinese yuan	8.3132	Indo. rupiah	3640.0	Polish zloty	3.45	Thai baht	39.80
Czech koruna	32.88	Irish £	0.6668	Port. escudo	175.20	Turkish lira	180675.
Danish krone	6.5655	Israeli shek.	3.5445	Russ ruble	5887.0	UAE dirham	3.6725
Egypt. pound	3.3998	Kuw dinar	0.304	Saudi riyal	3.752	Venez. boliv.	498.33
Fin. markka	5.1917	Malay. ring.	3.4435	Sing. $	1.58		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6726	1.6683	1.6663	Japanese yen	119.75	119.27	118.79
Canadian dollar	1.4031	1.4006	1.3987	Swiss franc	1.4013	1.3998	1.3984
Deutsche mark	1.7235	1.7203	1.7173				

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Oct. 31

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 5/8	3 1/2 - 3 9/16	1 3/4 - 1 13/16	7 - 7 1/4	3 1/2 - 3 5/8	3/8 - 1/2	4 3/8 - 4 1/2
3-month	5 11/16 - 5 3/4	3 3/4 - 3 13/16	1 15/16 - 2 1/16	7 7/16 - 7 9/16	3 9/16 - 3 3/4	3/8 - 1/2	4 7/16 - 4 9/16
6-month	5 11/16 - 5 7/8	3 15/16 - 3 15/16	2 - 2 3/16	7 3/8 - 7 1/2	3 3/4 - 3 7/8	7/16 - 9/16	4 1/2 - 4 5/8
1-year	5 13/16 - 5 7/8	4 - 4 3/16	2 1/4 - 2 3/8	7 9/16 - 7 11/16	4 - 4 1/8	7/16 - 9/16	4 11/16 - 4 13/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 5/8	5 1/2
90-day CDs dealers	5.67	5.66
180-day CP dealers	5.53	5.55
3-month Treasury bill	5.07	5.03
1-year Treasury bill	5.09	5.03
2-year Treasury bill	5.61	5.58
5-year Treasury note	5.72	5.70
7-year Treasury note	5.80	5.76
10-year Treasury note	5.83	5.82
30-year Treasury bond	6.16	6.14
Merrill Lynch 30-day RA	5.09	5.09
Japan		
Discount rate	0.50	0.50
Call money	0.43	0.42
1-month interbank	0.46	0.46
3-month interbank	0.47	0.47
6-month interbank	0.49	0.50
10-year Govt bond	1.82	1.79
Germany		
Lombard rate	4.50	4.50
Call money	4.50	4.50
1-month interbank	3.53	3.53
3-month interbank	3.72	3.70
6-month interbank	3.85	3.83
10-year Bond	5.59	5.59
Britain		
Bank base rate	7.00	7.00
Call money	7 1/4	7 5/16
1-month interbank	7 1/4	7 5/16
3-month interbank	7 7/16	7 9/16
6-month interbank	7 1/2	7 1/2
10-year Gilt	6.54	6.59
France		
Intervention rate	3.30	3.30
Call money	3 1/8	3 1/8
1-month interbank	3 3/16	3 3/16
3-month interbank	3 5/16	3 5/16
6-month interbank	3 3/8	3 3/8
10-year OAT	5.61	5.59

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

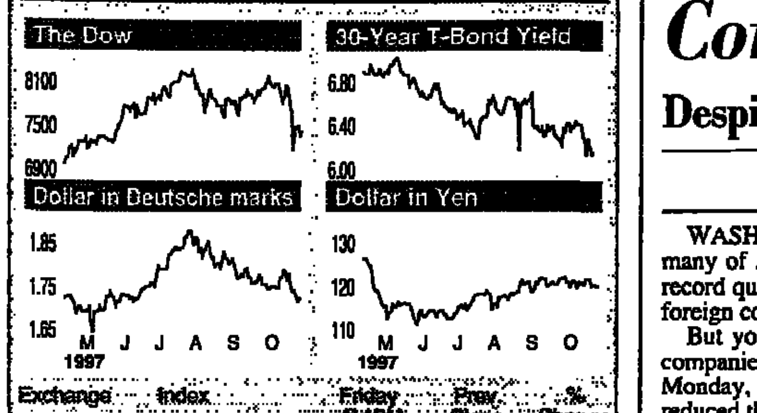
Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	312.12	—4.50
London	310.40	311.40	—5.35
New York	316.60	312.10	—5.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)

Source: Reuters.

Investor's America



Exchange	Index	Friday @4PM	Prev. Close	% Change
NYSE	The Dow	7442.08	7381.67	+0.82
NYSE	S&P 500	914.62	903.69	+1.21
NYSE	S&P 100	873.43	862.81	+1.23
NYSE	Composite	481.14	475.83	+1.12
U.S.	Nasdaq Composite	1593.60	1570.42	+1.48
AMEX	Market Value	675.75	670.84	+0.73
Toronto	TSE Index	6840.80	6783.70	+0.84
São Paulo	Bovespa	8986.33	8654.75	+4.49
Mexico City	Bolsa	4639.76	4628.41	+0.25
Buenos Aires	Merval	659.65	631.90	+4.39
Santiago	IPSA General	5071.22	5035.49	+0.71
Caracas	Capital General	9288.06	9212.50	+0.82

Source: Bloomberg, Reuters International Herald Tribune

Very briefly:

• **Kellogg Co.** said its third-quarter earnings rose 30 percent, to $207.2 million, as cereal sales strengthened in the United States and Latin America. Revenue rose 7 percent, to $1.80 billion, and sales volume worldwide rose 11 percent.

• **Donaldson, Lufkin & Jenrette Inc.** has withdrawn from talks to buy the equities and corporate-finance business of Barclays PLC's BZW unit, sources said. The move would leave **Credit Suisse First Boston** as the only potential bidder for the business, analysts said.

• **Telecomunicacoes Brasileiras SA**, Brazil's state telephone company, said its earnings rose 45 percent in the third quarter, to 926 million reals ($839.1 million).

• **U S Airways Group Inc.**'s pilots ratified a five-year contract that the airline said would open the way for it to lower costs and proceed with the purchase of new planes.

• **Air Canada**'s third-quarter profit rose 21 percent, to a record 181 million Canadian dollars ($128.4 million), as cargo and passenger traffic rose. Revenue rose 17 percent, to 1.62 billion dollars.

AP, Bloomberg

Microsoft's Close Brush With a Loss

Bloomberg News

WASHINGTON — Microsoft Corp. would have reported a first-quarter loss of $60 million if the software giant had deducted costs tied to employee stock options from earnings, according to a quarterly report filed with the Securities and Exchange Commission this week.

The loss estimate represents a big swing from the earnings that Microsoft actually reported for the quarter ended Sept. 30. Net income totaled $663 million.

Microsoft discussed the stock option disclosures with analysts after releasing its earnings Oct. 20, but it did not include the information in its earnings report.

On the Nasdaq market, Microsoft closed up $1.375 at $130.

Corporations Sour on Wall Street

Despite Record Results, Market Is Punishing Them, They Say

By Tim Smart
Washington Post Service

WASHINGTON — These are good times for many of America's largest companies as they post record quarterly profits and grab market share from foreign competitors in key industries.

But you would not know that from the way the companies have been faring lately on Wall Street. On Monday, reacting to currency woes in Asia, traders reduced the total market value of corporate America by $600 billion in a free fall that took the good down with the bad. General Electric Co.'s stock lost $14 billion in value in 24 hours. AlliedSignal Inc.'s worth was shaved by $2.7 billion. Coca-Cola Co.'s fell almost $2 billion.

Has something dramatic happened to the fortunes of America's corporate stars, whose stocks were the envy of the world until last week? "The answer is no," said George David, chief executive of United Technologies Corp. "Wall Street ought to be embarrassed."

In recent weeks, analysts have worried that earnings growth would slow in coming months, putting pressure on already highly valued stocks. Shares of both AlliedSignal and Compaq Computer Corp. were hit hard after they reported impressive gains in third-quarter profit. Allied fell $5 a share during one trading day after missing analysts' estimates by a penny, but then recovered somewhat. Compaq fell $4 a share even though its earnings rose 48 percent in the quarter. Compaq had the misfortune to announce earnings on Oct. 16, a day when Wall Street turned jittery.

The latest reason for the loss of favor of U.S. corporations with Wall Street: the mounting currency crisis in Asia. Analysts worry that U.S. multinationals will lose an important export market even though many executives say Europe is by far a more important market for their goods.

There is more than pique behind the grousing of business executives. Managers have concrete reasons to be concerned about how their stocks are doing. Many have compensation plans tied directly to the stock prices, and in recent months, several companies have used their stocks as currency to buy others. If *stocks crumple, the ability of WorldCom Inc. to launch* a $30 billion all-stock bid for MCI Communications Corp., to take one example, will be sorely tested.

To fight back, Mr. David said he and other executives were aggressively buying back their shares. That has the effect of reducing supply, and it usually lifts prices. It was International Business Machines Corp.'s announcement of a $3.5 billion repurchase of its shares that seemed to start the market on a record surge Tuesday in which the Dow Jones industrial average recovered 337 of the 554 points it lost Monday.

Stocks and GDP Data Help the Dollar Rise

Bloomberg News

NEW YORK — The dollar rose against most other major currencies Friday, lifted by gains in the stock market and a report on third-quarter growth that showed a healthy U.S. economy.

"With the markets rallying in Asia and in New York, we saw some strength in the dollar," said Dave Schoenthal, managing director of foreign exchange at Bear Stearns & Co. "Many people are looking at what goes on in the Dow to trade the dollar."

The dollar rose to 1.7250 Deutsche marks in 4 P.M. trading from 1.7170 DM on Thursday and to 120.400 yen from 120.025 yen.

The Commerce Department reported that gross domestic product grew at a faster-than-expected pace in the quarter ended September, while inflation ran at its slowest pace in 33 years.

The report reassured investors that U.S. assets are likely to remain attractive, even as market turmoil continues in Southeast Asia and shows signs of spreading to Latin America, particularly Brazil.

In the third quarter, the U.S. economy expanded at an annual rate of 3.5 percent, faster than most analysts expected. Meanwhile, the GDP deflator, a measure of price changes, rose at a 1.4 percent annual rate, its slowest pace since 1964.

"This should be good news for the dollar, because it shows strong growth with low inflation," said Mark Vitner, economist at First Union Corp. in Charlotte, North Carolina.

"It should allay any concern about the performance of the U.S. economy."

Against other major currencies, the dollar rose to 5.7770 French francs from 5.7595 francs and to 1.3985 Swiss francs from 1.3970 francs. The pound edged up to $1.6735 from $1.6705.

U.S. stocks tumbled earlier this week, dragging the dollar down with them, amid concern that Southeast Asia's financial woes might hurt demand for U.S. exports and hurt companies' profits.

The Dow Jones industrial average on Monday suffered its worst

FOREIGN EXCHANGE

decline since the 1987 collapse after Hong Kong stocks plunged as that government tried — so far with success — to keep the Hong Kong dollar closely tied to the U.S. currency.

Several countries in the Asia-Pacific region had abandoned efforts to keep their currencies tethered to the U.S. dollar, sending those currencies tumbling. Stock markets soon followed suit.

Traders are turning their attention to Brazil, where central bankers are struggling to keep the currency, the real, pegged to the dollar. The government almost doubled its prime lending rate on Thursday in an effort to shore up the currency.

Higher lending rates punish speculators who, expecting the currency to lose value, borrow and then sell large amounts of the currency in hopes of buying it back later at bargain prices.

LATIN AMERICA: *Asian Currency Storm Hits Brazil*

Continued from Page 11

In a bid to calm nerves in the Brazilian money markets Friday, the central bank offered to buy back Treasury bonds.

Economic commentators said this was a way to help weaker banks that were squeezed by the local markets' seesaw swings over the past week to ride out the storm.

The central bank set its securities repurchase rate to coincide with its higher interest rates.

Brazil's troubles worsened late last week when a global stock plunge triggered by currency and stock turmoil in Asia caused its share prices to plummet.

The malaise drifted over to the foreign-exchange markets, and economists and traders began to question whether Brazil could sustain its three-year-old anti-inflation economic stabilization plan based on a strong currency.

Brazil is regarded as vulnerable to speculative attack because of its deficit and because the real is widely regarded as overvalued.

Brazil's current-account balance of payments deficit stands at 4.3 percent of gross domestic product, and the public sector's budget deficit is about 5 percent of GDP.

(Reuters, Bloomberg)

MARKETS: *Europe and Wall Street Take Solace in Strong U.S. Data and a Higher Finish in Asia*

Continued from Page 11

Inflation, meanwhile, seems to have all but disappeared. The inflation component of the growth report rose at a 1.4 percent annual rate, the smallest increase since 1964.

Consumer spending, which accounts for two-thirds of the economy's output, was the driving force in the third quarter along with business investment. They more than offset weaker export sales and a slower buildup of inventories of unsold goods.

Consumer spending grew at a 5.7 percent annual rate, the strongest since the first quarter of 1992. Much of that was supported by growing incomes, but it also came at the expense of the smallest savings rate in three years. Consumers saved only 3.6 percent of their disposable income.

Normally, such rapid economic growth would raise inflation warning flags and draw interest-rate increases from the Federal Reserve Board. But inflation has consistently improved over the year. The inflation measure tied to the gross domestic product rose at a 2.4 percent annual rate in the first quarter, 1.8 percent in the second and 1.4 percent in the third, the lowest since 1964.

"The economy, firmly on the same track of moderate growth and low inflation, should offer the financial markets breathing room over the next few months," said economist Oscar Gonzalez of John Hancock in Boston.

Nonetheless, Treasury bond prices slumped as the firmer stock market damped demand. The price

U.S. STOCKS

of the benchmark 30-year issue fell 8/32 point to 102 30/32, taking the yield up to 6.16 percent from 6.14 percent Thursday.

"There's a reverse trading pattern going on for equities and bonds and no reason it won't continue," said Lauren Best, a bond manager at Advisers Capital Management. "We have to be nimble."

The stock market enjoyed a broad rally, with the Standard & Poor's 500-share index closing up 10.94 points at 914.62, and gaining issues outnumbering losing ones by a 5-to-2 ratio on the New York Stock Exchange.

Many technology companies that had fallen sharply this week were seen as bargains Friday, with Intel gaining 1 to close at 76¾, Dell Computer rising 2⅞ to 80⅞ and Compaq Computer adding 3⅛ to 64⅛.

The high-tech gainers helped lift the Nasdaq composite index 23.19 points to close at 1,593.60.

Tobacco shares also rose after a Florida jury ruled that RJR Nabisco Holdings was not responsible for a woman smoker's lung cancer. RJR rose 1 7/16 to 32 and Philip Morris advanced ⅞ to 39¾.

But some companies continued to be hurt by concern that fallout from Asia could damage profits.

"People are having a difficult time getting a clear idea about each company's specific exposure to Asia," said Robert Streed, senior investment adviser at Northern Trust in Chicago.

International Paper was a drag on the Dow, falling 1¾ to 45 after Merrill Lynch advised investors to reduce paper-company holdings because the Asian woes could push down prices.

Midcom Communications plunged 5 1/16 to 1¾ after the long-distance telephone company said it may be forced to file for Chapter 11 bankruptcy protection.

(AP, Bloomberg, Reuters)

AMEX

Friday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Latest	Chge
AMC	829	20¹⁵⁄₁₆	20	20¾	-⅛
AMC pf	253	35	34½	34½	+¼
ARC	788	5⅝	5½	5⅝	[illegible]
ActGrp	431	17½	14¾	17½	+3¾
AerialsW n	233	11	10⁹⁄₁₆	10⁹⁄₁₆	[illegible]
AirNet	1365	11½	11	11½	[illegible]
AHoogeve	121	16¼	16⅛	16⅛	+⅛
AlldRsk	211	14¼	13⅞	14	+⅛
Alpharm	448	16	15½	15⅞	+⅛
AllLnInq	160	25	24	24½	[illegible]
AIM 84	132	3¼	3⅛	3¼	+⅛
AIM 85	231	14¼	14⅛	14¼	+⅛
AIM 88	148	13⅝	13½	13⅝	[illegible]
AmerPag	541	2⅞	2¾	2⅞	+⅛
APEInv	170	14⅝	14½	14⅝	+⅛
ATechC	168	17¾	16⅝	17	+⅜
Ampal	148	5⅛	5	5⅛	[illegible]
Ampco	1763	3½	3⅜	3½	+⅛
Amtec n	412	1⅞	1¾	1⅞	[illegible]
AndreaE s	1475	21⅝	20⅞	21	+⅛
AstLyms	778	20⅝	20⅛	20⅝	+⅛
AudioBC n	509	8	7⅝	7⅝	-⅛
Audvox	668	9⅝	9⅛	9⅝	+⅛
AuroEl	388	1⅜	1¼	1	[illegible]
Autotote	1552	2⅜	2⅜	2⅜	[illegible]
Axogen wt	312	39	38½	39	+⅛
Azco	545	1⅝	1⅝	1⅝	[illegible]
BAT Ind	1540	18	17¾	17⅞	-⅛
Balchem	152	17⅝	17⅛	17⅝	+⅛
Ballyb s	383	17	16⅝	16¾	+⅛
BarrLab s	300	37⅝	36⅝	37⅝	-1⅛
Baycor	596	3⅞	3⅜	3⅞	[illegible]
BemaGold	3709	3⅜	3	3⅛	[illegible]
BioR A	630	25	24⅝	24⅞	-⅛
BlairCp	396	18⅝	18	18⅛	-⅛
BlongT	126	16⅞	15⅝	16⅞	+1⅛
BollTech	132	8⅝	8⅜	8⅝	+⅛
BowlA	117	8⅝	8⅜	8⅜	-⅛
Bowne	277	34⅛	33⅝	34	+⅛
BrllDig n	149	8⅛	7⅝	8⅛	+⅛
B&BGld n	163	8⅛	8⅛	8⅛	-⅛
CE Fmk g	434	13¾	13¼	13⅝	-⅛
CFX Cp	1025	25⅜	24⅞	25	-⅛
CIM	154	8⅛	8	8⅛	[illegible]
Cabirso	224	70	69⅞	69⅞	+⅛
Cabirs pf	425	31⅝	28⅝	31⅝	+2⅞
Calton	708	1⅝	1½	1⅝	[illegible]
Cambior	2026	8	7⅝	7⅞	-⅛
CanyonRs	906	1⅛	1	1⅛	-⅛
Cardiotch	299	3⅝	3	3⅝	[illegible]
Carmtb a	384	27⅝	27⅛	27⅝	+⅛
CrtSci	1219	7⅝	7⅛	7⅝	+⅛
CFCde g	211	3⅝	3⅜	3⅜	+⅛
ChadThr	143	10⅝	10⅛	10⅝	+⅛
ChelSM a	727	11⅝	11⅛	11⅛	-⅛
Chief	972	24⅜	23⅝	24⅛	+⅛
CinvtC s	281	17⅛	13¾	17⅛	+⅛
Cogntrn	418	17⅛	16⅝	16⅝	-⅛
ColLb	2391	16⅛	15⅞	16	+1⅛
Comforce	346	8	7⅞	8	-⅛
CnclAsl	286	7⅝	7⅜	7⅝	+⅛
CoastAp	483	3⅝	3⅛	3⅝	[illegible]
CompTch	149	9	8⅝	9	[illegible]
Cropirc	283	1⅛	1	1	[illegible]
Cordmacre	218	5¾	5⅝	5¾	-⅛
CoreMatl	133	4⅝	4⅜	4⅝	+⅛
CornCor	182	18⅞	18	18⅛	[illegible]
CoMtlV gn	1236	4⅞	4⅜	4⅞	+⅛
Cross	1118	10⅛	9⅝	10⅛	+⅛
CrnCP	445	20	19⅝	19⅝	+⅛
CrnCP B	297	19⅛	18⅝	18⅞	-⅛
CrwnCAH	127	8⅝	8⅛	8⅛	-⅛
Crystlx gn	1508	4⅝	4⅛	4⅛	-⅛
Cybexlnt	336	11⅝	11⅛	11⅝	+⅛
Cycomm	321	2⅝	2⅛	2⅝	+⅛
DaxorMS	1055	1	1	1	[illegible]
DenMed	135	7⅝	7⅛	7⅛	[illegible]
Datamet	1183	2⅛	2	2⅛	+⅛
Datamars	116	8⅝	8⅝	8⅝	[illegible]
DaytonMn	264	2⅝	2⅜	2⅝	-⅛
DevnE	424	44⅝	43⅝	44⅝	-1⅛
DigsCT	181	1⅝	1½	1⅝	[illegible]
DigPwr n	676	8	7⅝	7⅞	[illegible]
Diodes	244	13	12⅝	12⅝	[illegible]
DryMtn	191	10⅝	10⅛	10⅝	[illegible]
EchoBay	7276	4⅝	4	4⅛	-⅛
ElPasoE	1839	6⅝	6⅛	6⅝	+⅛
Elsevir	345	10⅞	10⅛	10⅞	+⅛
EnerR	436	1⅜	1¼	1¼	[illegible]
EmpCar	151	2⅝	2⅛	2⅝	[illegible]
EnzoBl	1233	17⅝	17⅛	17⅛	-⅛
Equmil	186	22⅞	22	22⅝	-⅛
FalmRlBc	153	20⅝	20⅛	20⅝	-⅛
FerstT wtA	138	1⅛	1	1	[illegible]
FernHib	129	8⅝	8⅛	8⅝	[illegible]
FtAusl	785	7⅝	7⅛	7⅛	+⅛
FAusPr	3934	8⅝	8⅛	8⅛	-⅛
FlEmp	303	41⅞	41	41	-1⅛
FlaRck	120	55⅞	53⅝	54⅞	+1⅜
ForstLb	1351	46⅝	46	46⅝	[illegible]
FreqEl	885	20⅝	19⅝	20⅛	+2⅛
GA Fncl	286	19⅞	19	19⅞	+⅛
GST Tele	574	14⅝	13⅝	14	[illegible]
GayiCn	2568	6⅝	6⅛	6⅝	+⅛
Geocor s	664	17⅝	16⅝	17	-1⅛
GoAnlo	262	1⅛	1⅛	1⅛	[illegible]
GnEmp	140	18⅝	18	18⅛	-⅛
GenvDr	114	17⅞	17⅝	17⅝	-⅛
GercaGld	1493	3⅝	3⅛	3⅝	+⅛
GiantFd	1190	30⅝	30	30⅛	-⅛
GlaxM	394	18⅝	18	18⅛	-⅛
GlobSml	124	12	12	12	-⅛
Globlink	330	2⅝	2⅛	2⅝	[illegible]
GolVideo	388	2⅝	2⅛	2⅝	[illegible]
GldStarR	1333	4⅝	4⅛	4⅛	-⅛
GolfTrst n	482	28⅝	28⅛	28⅛	+⅛
GreyWolf	8099	8⅝	8⅛	8⅛	+⅛
GreyhndL	1358	7⅝	7⅛	7⅝	+⅛
ecHallmF	140	1	1	1	[illegible]
HallEP	119	10	9⅝	10	[illegible]
HallEPC	114	13⅝	12⅝	13⅝	-1
Halsey	270	2⅞	2⅝	2⅝	[illegible]
HaltenMar	1082	32⅝	32	32⅝	-⅛
HangOr	1099	13⅝	12⅝	13	[illegible]
HandyC on	287	17⅝	17⅛	17⅝	-⅛
HanvDir	9030	1⅝	1½	1⅝	+⅛
Harken	3395	6⅞	6⅝	6⅞	-⅛
Hasbro s	4195	29⅝	28⅝	29⅛	+⅛
HawAir	638	4⅝	4⅛	4⅝	-⅛
HlthPro	1022	8⅝	8⅛	8⅛	[illegible]
Heafx	5436	1⅝	1½	1⅝	[illegible]
Heico	271	41	35⅝	36⅝	-3⅝
HelenRes	192	1⅝	1½	1⅝	[illegible]
Hemispr	450	4⅝	4⅛	4⅝	[illegible]
Hmbgh wt	199	1⅛	1	1	-⅛
HiShearT	212	8⅝	8⅛	8⅝	+⅛
HomeVll n	115	15⅝	15⅛	15⅝	+⅛
Hondo	143	8⅝	8⅛	8⅝	+⅛
HooperH s	443	15⅝	14⅝	14⅝	-⅛
HrzPkra n	571	16	15⅝	15⅝	[illegible]
HospStaffe	424	12	11⅝	11⅝	-⅛
HudsnCB	216	20⅝	20	20	-⅛
IntH Crd	326	18⅝	17⅞	18	-⅛
Idenix	762	10⅝	10	10⅛	-⅛
ImpCAHg	584	27⅛	26	26⅝	+⅛
ImpOil g	353	42⅝	41⅝	42	+⅛
Infocure s	195	7⅞	7	7⅞	+⅝
InsgOrtb	261	8⅝	8	8	-⅛
IntegTc	266	1⅝	1⅛	1⅝	-⅛
IntelPly un	166	20⅛	19⅝	19⅝	-⅛
InterDig	1692	5⅞	4⅝	5	-⅛
Intrmgn	262	9⅝	8⅝	9⅝	+⅛
IntlCornt	396	7⅝	7⅛	7⅝	+⅛
IntslGC	598	4⅝	3⅝	4⅝	-⅛
Intrsystn	480	2⅝	2⅛	2⅝	[illegible]
IvaxCp	7848	7⅝	7⅛	7⅝	+⅛
JTS Corp	1782	⅝	½	⅝	+⅛
JanBell	393	3⅝	2⅝	2⅝	+⅛
KFX Inc	128	2⅝	2⅛	2⅛	+⅛
KV Ph A	264	20⅝	19⅝	20⅛	+⅛
Kalus gn	311	4⅝	4⅛	4⅝	[illegible]
Keane s	1040	31⅝	29⅝	29⅝	+⅛
KeyEng	773	32	30⅝	31⅝	+⅛
KogrEq	753	21⅛	21⅛	21⅛	+⅛
Krug	568	6⅛	5⅝	6⅛	+⅛
LXR Bkt	1110	2⅝	2⅛	2⅝	+⅛
LaBarg	549	5⅝	5	5	[illegible]
LurTech	323	3⅝	3⅛	3⅝	[illegible]
MSR	149	1⅝	1½	1⅝	+⅛
MagHn wt	681	1⅛	1⅛	1⅛	[illegible]
MagnHear	686	7⅝	6⅝	7⅝	[illegible]
MaxalCID n	113	52⅝	52⅝	52⅝	+1⅛
MarsCp g	477	5⅝	5⅛	5⅝	[illegible]
MedtnPh	396	15⅝	14⅝	15⅝	+⅛
MedPtr n	144	2	1⅝	2	[illegible]
Maxam	279	53⅝	52⅝	52⅝	[illegible]
MedcR	143	15⅝	15⅛	15⅝	+⅛
MediaLog	316	1⅝	1⅛	1⅝	[illegible]
Media	415	9⅝	9	9⅝	+⅛
Medics	1508	⅝	½	⅝	[illegible]
MercAir s	396	6	5⅝	6	[illegible]
MLRus04 n	115	9⅝	9⅛	9⅝	-⅛
MLEuro2 n	445	9⅝	8⅝	9⅝	+⅛
Mellon wt	209	8⅝	8⅛	8⅝	[illegible]
Metromds	2248	11⅝	11⅛	11⅝	+⅛
Metrom pf	1236	5⅝	4⅝	5⅛	+⅛
MidcstEn	169	24⅝	23⅝	24⅝	+⅛
MilesMol	115	13⅝	13⅛	13⅝	[illegible]
MiamT/2	141	10⅝	10⅛	10⅝	[illegible]
MontiStr	216	1⅛	1	1	[illegible]
MonMtg	133	19⅝	19⅛	19⅝	[illegible]
Morvrst	579	9⅝	9⅛	9⅝	+⅛
Myerslnd	244	17⅝	17⅛	17⅝	+⅛
NTN Com	365	1⅝	1½	1⅝	[illegible]
NVR	237	21⅝	21	21⅝	+⅛
Nabors	6087	43	40⅝	41⅝	-⅛
NatBev	216	9⅝	9⅛	9⅝	-⅛
NtPatnt	248	14⅝	13⅝	13⅝	-⅛
NA Vacc	229	26⅝	25⅝	25⅝	-⅛
Novagx	127	4⅝	4⅛	4⅝	[illegible]
Nstor n	140	2⅝	2⅛	2⅝	-⅛
Numac	179	4⅝	4⅛	4⅝	[illegible]
OmniMall	324	1⅝	1½	1⅝	[illegible]
Oocor	513	4⅝	4⅛	4⅝	[illegible]
Organgn s	3368	31⅝	29⅝	30⅝	+⅛
PC Quote	275	1⅝	1½	1⅝	+⅛
PLC Sys	1593	12⅝	12⅛	12⅝	+⅛
PacPharm	285	1⅝	1½	1⅝	[illegible]
PanAmCp	461	4⅝	4⅛	4⅝	[illegible]
Paxsnc	498	11⅝	11⅛	11⅝	-⅛
PegGld	6211	4⅝	4⅛	4⅝	-⅛
Penlsc	110	9⅝	9⅛	9⅝	+⅛
PhzNet	9741	⅝	½	⅝	-⅛
Phonetel	418	3	2⅝	2⅝	-⅛
PicoPd	429	1⅝	1½	1⅝	[illegible]
Placid s	112	17⅝	17⅛	17⅝	-⅛
PlainsRsc	274	20	18⅝	20	-1⅛
Polymd	436	18⅝	18⅛	18⅝	+⅛
Polyph	451	7⅝	7⅛	7⅝	-⅛
PrpdLs	844	21⅝	20⅝	20⅝	-⅛
PrkCal	292	11⅝	10⅝	10⅝	-⅛
ProptCT s	288	6⅝	6⅛	6⅝	-⅛
PsycCp	228	6⅝	5⅝	6⅛	-⅛
RF Pow	228	4⅝	4⅛	4⅝	+⅛
ReaGold	716	⅝	½	⅝	[illegible]
Reliac	161	12⅝	11⅝	12⅛	+⅛
ReptSel	154	27⅝	26⅝	26⅝	-⅛
RivierT a	942	8⅝	8⅛	8⅝	-⅛
RobertsPh	560	10⅝	9⅝	9⅝	-⅛
Rogers	138	41⅝	41⅛	41⅝	-⅛
Rolonic	125	1⅝	1½	1⅝	[illegible]
RoyalO g	9614	2⅝	2⅜	2⅝	[illegible]
RoyceHA pf	115	25⅝	25	25⅝	-⅛
SaboPet s	402	11	10⅝	10⅝	[illegible]
Selicore	186	12⅝	12⅛	12⅝	-⅛
SentryT a	118	2⅝	2⅛	2⅝	-⅛
SierHt	202	2⅝	2⅛	2⅝	[illegible]
SilverFd	3131	⅝	½	⅝	-⅛
ecSolgen	245	8⅝	8⅛	8⅝	[illegible]
SportsCb	3453	3⅝	3⅛	3⅝	[illegible]
SPDR	67789	92½	90⅝	91⅝	+1¼
SP Mid	2421	42⅝	41⅝	42⅝	+⅛
Silvrkld	315	19⅝	19⅛	19⅝	[illegible]
Selcus	591	1⅝	1½	1⅝	-⅛
Samler	121	1⅝	1½	1⅝	[illegible]
Siemkd	302	9⅝	9⅛	9⅝	[illegible]
SereyC	140	7⅝	6⅝	7⅝	[illegible]
TeJo	169	28⅝	28	28⅝	-⅛
ToiDta	708	42⅝	42⅛	42⅝	-⅛
TapBiotch	3227	5⅝	5⅛	5⅝	-⅛
Thrmed	399	17⅝	16⅝	17	-⅛
ThCardio	259	21⅝	21⅛	21⅝	-⅛
ThrFibr rt	247	3⅝	3⅛	3⅝	[illegible]
Thrlnst	546	36⅝	35⅝	36⅝	-1⅛
ThrmVolt	183	7⅝	7	7	[illegible]
Thmtrx	208	15⅝	15⅛	15⅝	[illegible]
Thmdx	120	23⅝	22	22⅝	-⅛
Tipperv	147	6⅝	6⅛	6⅝	-⅛
Topsrce	362	1⅝	1½	1⅝	[illegible]
TownCty	223	2⅝	2⅛	2⅝	[illegible]
TWA	3098	7⅝	7⅛	7⅝	[illegible]
Transcmt	148	17⅝	17⅛	17⅝	[illegible]
Trexled	203	13	12⅝	12⅝	-⅛
Trullech	222	1⅝	1½	1⅝	-⅛
TubMex	13318	21⅝	20	20⅝	-⅛
USFGP	230	17⅝	17	17	-⅛
UTI Eng s	1139	46⅝	44⅝	44⅝	-⅛
Uniqwn	158	5⅝	5	5	-⅛
Unilco	1024	7⅝	7	7⅝	[illegible]
Unimar	384	4⅝	4	4⅝	[illegible]
UnitgWtrl	340	7⅝	7⅛	7⅝	-⅛
USBiosci	872	10⅝	10	10⅛	-⅛
US Cell	737	32⅝	32	32⅝	+⅛
USExplnc	298	4	3⅝	3⅝	-⅛
Viacom	915	30⅝	29⅝	29⅝	-⅛
ViacB	9292	31	29⅝	30⅝	+⅛
Viac wtE	444	1⅝	1½	1⅝	+⅛
Vicon	204	7⅝	7	7⅛	-⅛
Vicos s	186	24⅝	23⅝	24	[illegible]
VistaG g	313	1⅝	1½	1⅝	-⅛
WPIT	1082	16⅝	15⅝	16⅛	-⅛
Washer un	334	9⅝	9⅛	9⅝	-⅛
Whitehl	179	5⅝	5⅛	5⅝	-⅛
WirelessT	643	7⅝	7⅛	7⅝	-⅛
WEBAstrl	2332	9⅝	9⅛	9⅝	-⅛
WEBCan	149	13⅝	13⅛	13⅝	-⅛
WEBFra	385	15⅝	14⅝	15⅝	+⅛
WEBGer	428	16⅝	16⅛	16⅝	-⅛
WEB HK	1377	11⅝	11	11⅝	-⅛
WEB Ita	198	18	17⅝	18	[illegible]
WEB Jpn	2842	11⅝	11⅛	11⅝	-⅛
WEB Mal	413	6⅝	6	6⅛	-⅛
WEB Mex	504	14⅝	13⅝	13⅝	-⅛
WEB Nel	192	22⅝	22⅛	22⅝	-⅛
WEB Sing	674	7⅝	7⅛	7⅝	-⅛
WEB Spn	315	19⅝	18⅝	19⅝	+⅛
WEB Swd	139	18⅝	18⅛	18⅝	+⅛
WEB Swz	384	16⅝	16⅛	16⅝	+⅛
WEB UK	1055	17⅝	17⅛	17⅝	-⅛
XCL Ltd	4499	⅛	⅛	⅛	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7482.11	7495.86	7352.45	7442.08	+60.41
Trans	3115.46	3144.61	3091.65	3131.46	+39.81
Util	242.64	243.77	241.33	242.59	+1.26
Comp	2449.91	2457.92	2421.12	2446.68	+22.24

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	1076.13	1052.53	1062.53	1065.54
Transp.	674.75	662.01	664.66	668.73
Utilities	206.52	204.33	204.69	206.37
Finance	110.85	107.80	107.80	109.10
SP 500	923.28	903.68	903.68	914.62
SP 100	883.82	862.81	862.81	873.43

NYSE

	High	Low	Last	Chg.
Composite	483.73	475.83	481.14	+5.31
Industrials	604.97	595.41	601.96	+6.55
Transp.	454.76	449.55	453.77	+4.86
Utility	296.73	292.12	295.79	+3.67
Finance	459.41	452.47	457.56	+5.09

Nasdaq

	High	Low	Last	Chg.
Composite	1599.04	1579.07	1593.59	+23.18
Industrials	1272.12	1256.74	1268.68	+16.91
Banks	1927.51	1910.85	1923.06	+13.01
Insurance	1772.20	1758.84	1771.39	+6.88
Finance	2238.43	2222.59	2236.26	+17.57
Transp.	1083.25	1068.34	1081.69	+16.00

AMEX

High	Low	Last	Chg.
676.74	670.73	675.75	+4.91

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	103.97	104.03
10 Utilities	101.89	101.89
10 Industrials	106.05	106.18

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
WasteMInc	253965	23¾	22⅝	23⅛	+⅛
Compaq s	190136	64⅝	62⅝	64	+3⅛
TelBras	87283	100	91⅛	101	+10
PhilMor s	84730	41	38⅝	39⅝	+⅞
Sears	64855	41⅝	41	41⅝	+⅝
GenElec s	53404	65½	63⅝	64⅝	+1⅛
PolyGp	51990	11½	9⅛	9⅝	-2⅛
CapSenL n	49609	16¼	15	16⅛	—
TelMex	49265	43⅝	41⅝	43¼	+2
AT&T	46239	49	47⅛	48⅝	+⅝
Boeing s	46222	48½	47¼	47⅝	+⅝
Teradnst	44788	109	104	106⅝	+3⅝
IntPap	43891	46⅝	43⅝	45	-1⅝
MicrnT	43185	27⅝	25⅝	26⅝	+1⅝
Motorola	42404	62⅝	60⅝	61⅝	+3⅝

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel s	219386	78⅝	76¼	77	+1¼
DellCpt s	138565	82⅝	78½	80⅝	+2⅞
Cisco	121727	82¼	79⅝	82½	+2½
ApldMat s	115349	34¼	32	33⅝	+1⅝
BostChk	94822	9½	8¼	8⅝	-1½
Oracle s	92330	35⅛	34½	35⅝	+2½
PmyCar	86335	25⅛	22¼	23⅝	-⅝
Midcom	85935	3⅝	1½	1⅝	-5⅛
FPA Md	85860	29⅝	22⅝	24⅝	-4⅝
Biocirl	82552	⅝	⅝	¼	+½
Ascend	81975	27¼	26	27	+⅜
SunMic s	79930	35	33	34¼	+1⅛
3Com	79536	42⅝	40⅝	41⅝	+1⅝
OxfordHlt	65687	27¼	25	25⅝	—
VideoLan	58767	½	⅝	¼	+⅛

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	67789	92½	90⅝	91⅝	+1¼
TubMex	13318	21⅛	20	20⅝	-⅝
PhzNet	9741	⅝	⅝	⅝	-⅛
RoyalO g	9614	2⅝	2⅝	2⅝	—
ViacB	9292	31	29⅝	30¼	+⅝
HanvDir	9030	1⅛	1½	1⅝	+⅛
GreyWolf	8099	8⅝	8½	8¼	+⅛
EchoBay	7276	4½	4	4⅛	-⅛
PegGld	6211	4⅝	4⅛	4⅝	-⅛
Nabors	6087	43	40⅝	41½	-⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	2089	884
Declined	897	2175
Unchanged	450	448
Total issues	3436	3427
New Highs	56	32
New Lows	15	38

Nasdaq

	Noon	Prev.
Advanced	2353	1445
Declined	1435	2929
Unchanged	1755	1363
Total issues	5543	5737
New Highs	59	65
New Lows	69	90

AMEX

	Close	Prev.
Advanced	346	213
Declined	232	376
Unchanged	159	141
Total issues	737	730
New Highs	14	14
New Lows	8	7

Market Sales

	Today 4:00	Prev. cons.
NYSE	634.06	823.71
Amex	27.88	38.33
Nasdaq	649.01	754.16

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
German Am Bncp	-	.11	11-10	11-20
Telefonica Peru	b	.222	11-19	12-10
STOCK SPLIT				
Hallmark Capital 2 for 1 split.				
Jackson Hewitt 2 for 1 split.				
Mackenzie Fin 2 for 1 split.				
StateFed Fin 2 for 1 split.				
STOCK				
German Am Bncp	-	5%	1-28	12-20
INCREASED				
Newcourt Credit g	Q	.04	11-17	11-28
Poughkeepsie Fin	Q	.05	11-14	12-4
Wstrock Energy II		.06		
INITIAL				
Allied Signal n	-	.13	11-20	12-10
Hooper Holmes n	-	.015	11-14	11-28
Provident Cos n	-	.10	11-28	12-10
Vornado Rlty n	-	.40	11-10	11-18
REGULAR				
Aames Fincl	Q	.033	11-10	11-21
Am Bltrite	Q	.10	12-17	1-2
Anadarko Petrol	Q	.075	12-10	12-24
Apple South	Q	.01	11-14	11-28
Bemis Co	Q	.20	11-14	12-1
CommonSense	M	.0575	11-28	11-28
Community Bks	Q	.21	12-17	1-2
Dial Corp	Q	.08	12-12	1-6
East TX Fin Svc	-	.05	11-12	11-26
Empire Fed Bncp	-	.075	11-12	11-26
Genesee Corp B,	Q	.35	12-15	1-2
Hancock Fat Pf	M	.096	11-10	11-28
Harman Intl	Q	.05	11-12	11-26
Jannock Ltd g	Q	.125	12-5	1-2
Kellogg Co	Q	.225	12-11	12-15
Libbey Inc	Q	.075	11-3	12-4
Mid-Am Energy	Q	.30	11-7	12-1
Peekskill Fin	Q	.09	11-14	11-28
Peoples Bk NC	Q	.12	12-5	12-19
Providence Worc	S	.06	11-13	11-28
Providian Fin	-	.05	12-1	12-15
Republic Sec Fin	Q	.05	11-18	12-2
Scudder Path	Q	.09	10-30	10-31
Security Cap Ind	Q	.2675	11-11	11-25
Selective Insur	Q	.28	11-17	12-1
Smucker,JM A&B,	Q	.13	11-17	12-1
Southdown Inc	Q	.10	11-14	11-28
Sthn MO Bancp	Q	.125	11-12	11-28
Tappan Zee Fin	Q	.07	11-6	11-26
Unitd FdSv Rk MI	Q	.06	11-17	12-1
Valhi Inc	Q	.05	12-12	12-31
Waters Instrum	A	.04	11-7	12-8
Westcorp Inc	Q	.10	11-13	11-24

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semiannually.

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Oct. 31, 1997

Grains

	High	Low	Latest	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	280¾	277¼	279¼	unch.	194,352
Mar 98	290	287½	289¼	+¼	105,683
May 98	296	293¾	295	+¼	30,509
Jul 98	300	297½	299¼	+½	41,321
Sep 98	292½	289	291	+1	3,727
Dec 98	292	289½	291	+¼	25,448
Jul 99			303½	+1½	204
Est. sales 65,000 Thu's sales 93,725					
Thu's open int 402,481, off 4,558					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Dec 97	225.20	222.00	223.10	+0.90	40,508
Jan 98	221.00	218.30	219.30	+0.40	22,445
Mar 98	217.00	214.20	216.20	+1.50	20,144
May 98	217.00	213.80	214.80	+0.80	17,379
Jul 98	218.00	215.50	216.30	+0.40	11,995
Aug 98	218.00	216.50	216.90	+0.80	2,777
Est. sales 21,000 Thu's sales 19,558					
Thu's open int 120,707, up 2,435					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Dec 97	25.26	24.76	25.22	+0.19	51,862
Jan 98	25.49	24.97	25.47	+0.23	26,540
Mar 98	25.94	25.16	25.90	+0.45	14,664
May 98	25.50	25.22	26.05	+0.55	8,995
Jul 98	25.95	25.25	25.95	+0.45	8,652
Aug 98	25.75	25.75	25.75	+0.35	818
Est. sales 13,500 Thu's sales 17,456					
Thu's open int 112,910, off 1,478					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Nov 97	692	683½	690¼	+5¼	27,900
Jan 98	697½	690	696¼	+3¼	65,887
Mar 98	704½	696	701¼	+2¼	24,132
May 98	709	702½	706½	+1½	17,125
Jul 98	715	707½	712¼	+¼	14,700
Est. sales 60,000 Thu's sales 80,079					
Thu's open int 156,941, off 5,070					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	362½	358¼	360½	+¼	53,813
Mar 98	376¼	373	374	-¼	26,706
May 98	383½	380½	381¼	unch.	6,279
Jul 98	386	383¼	384½	+¼	14,491
Est. sales 13,500 Thu's sales 16,735					
Thu's open int 104,404, up 550					

Livestock

	High	Low	Latest	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Dec 97	67.70	67.15	67.52	+0.30	39,221
Feb 98	68.85	68.25	68.77	+0.42	24,692
Apr 98	72.45	71.95	72.35	+0.32	14,497
Jun 98	69.90	69.70	69.87	+0.20	10,760
Aug 98	69.95	69.70	69.72	+0.17	3,458
Oct 98	72.20	72.20	72.20	+0.27	1,163
Est. sales 11,933 Thu's sales 11,956					
Thu's open int 93,792, up 200					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Nov 97	78.20	77.70	77.87	+0.20	6,029
Jan 98	78.80	78.25	78.40	+0.30	5,731
Mar 98	78.65	78.15	78.30	+0.30	2,712
Apr 98	78.85	78.35	78.37	unch.	1,016
May 98	79.47	79.20	79.20	-0.05	765
Aug 98	81.30	80.95	81.30	+0.30	293
Est. sales 3,355 Thu's sales 2,677					
Thu's open int 17,911, up 101					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Dec 97	63.20	62.15	62.22	-0.60	19,060
Feb 98	63.30	61.97	62.12	-0.60	9,700
Apr 98	60.00	58.95	59.00	-0.67	4,051
Jun 98	67.20	66.27	66.45	-0.47	2,531
Jul 98	65.55	64.85	64.97	-0.52	935
Est. sales 6,342 Thu's sales 6,264					
Thu's open int 36,928, off 144					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 98	66.50	64.02	64.70	-1.12	4,166
Mar 98	66.20	63.85	64.37	-1.17	929
May 98	67.05	63.80	63.80	-1.40	291
Est. sales 2,964 Thu's sales 1,711					
Thu's open int 7,572, up 130					

Food

	High	Low	Latest	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Dec 97	1607	1587	1603	+16	30,752
Mar 98	1645	1626	1638	+13	28,424
May 98	1663	1652	1659	+13	13,534
Jul 98	1684	1670	1680	+15	3,959
Sep 98	1700	1695	1700	+15	4,806
Dec 98	1718	1700	1718	+15	8,861
Est. sales 4,478 Thu's sales 6,923					
Thu's open int 101,771, off 2,843					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Dec 97	151.75	147.00	148.65	+0.50	11,014
Mar 98	142.00	138.50	139.95	+1.20	8,190
May 98	137.25	135.50	137.00	+1.50	2,819
Jul 98	134.50	133.00	134.00	+1.25	1,972
Sep 98	130.50	130.25	130.50	+0.75	933
Est. sales 5,587 Thu's sales 5,266					
Thu's open int 25,656, off 115					
SUGARWORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 98	12.44	12.30	12.39	+0.09	102,669
May 98	12.30	12.19	12.28	+0.10	28,070
Jul 98	12.07	11.99	12.05	+0.07	18,847
Oct 98	11.94	11.88	11.91	+0.01	21,741
Est. sales 39,366 Thu's sales 57,995					
Thu's open int 178,006, up 9,184					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Nov 97	68.50	67.00	67.20	-1.45	4,646
Jan 98	72.15	70.50	70.60	-1.55	19,078
Mar 98	75.40	74.00	74.05	-1.40	11,217
May 98	78.70	77.25	77.45	-1.00	2,595
Est. sales N.A. Thu's sales 4,815					
Thu's open int 40,152, off 869					

Metals

	High	Low	Latest	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Nov 97			311.30	-5.10	1
Dec 97	317.90	310.80	312.10	-5.10	112,468
Jan 98			313.20	unch.	
Feb 98	319.00	312.50	313.50	-5.20	29,194
Apr 98	317.00	314.00	315.30	-5.30	7,410
Jun 98	319.50	317.00	317.30	-5.30	11,248
Aug 98	320.10	319.00	319.30	-5.40	4,510
Oct 98			321.40	-5.40	953
Dec 98	324.80	323.00	323.40	-5.50	10,883
Est. sales 35,000 Thu's sales 57,474					
Thu's open int 215,237, off 7,156					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Nov 97	92.10	90.60	90.70	-0.15	4,340
Dec 97	92.40	90.30	90.75	-0.20	31,107
Jan 98	92.30	91.00	91.00	-0.15	1,206
Feb 98	92.00	91.05	91.05	-0.25	1,348
Mar 98	92.60	90.80	91.20	-0.15	7,951
Apr 98	92.30	91.30	91.30	+0.05	1,228
May 98	92.50	91.40	91.40	+0.10	3,216
Jun 98	92.20	91.40	91.40	+0.10	1,200
Jul 98	92.20	91.30	91.30	+0.15	2,559
Est. sales 9,000 Thu's sales 5,648					
Thu's open int 63,272, off 508					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Nov 97			471.70	-13.00	21
Dec 97	486.50	472.00	473.70	-13.00	58,749
Jan 98	484.00	475.40	475.40	-12.50	31
Mar 98	489.00	477.00	479.30	-12.90	19,097
May 98	486.50	482.20	482.20	-12.90	2,742
Jul 98	491.00	485.00	485.00	-2.00	3,475
Sep 98			487.80	-12.90	642
Dec 98	500.50	491.60	491.60	-12.90	2,805
Est. sales 15,000 Thu's sales 23,791					
Thu's open int 92,483, off 1,835					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 98	405.50	401.50	404.20	-1.10	10,935
Apr 98	401.50	401.20	401.20	-1.10	1,362
Jul 98	400.00	398.00	398.20	-1.10	29
Est. sales N.A. Thu's sales 1,726					
Thu's open int 12,326, off 131					

LONDON METALS (LME) Dollars per metric ton	Close		Previous	
Aluminum (High Grade)				
Spot	1613½	1614½	1608.00	1609.00
Forward	1638.00	1639.00	1634.00	1635.00
Copper Cathodes (High Grade)				
Spot	2012.00	2013.00	1988.00	1989.00
Forward	2021.00	2022.00	1997.00	1998.00
Lead				
Spot	597½	598½	586.00	587.00
Forward	610.00	611.00	599.00	600.00
Nickel				
Spot	6280.00	6290.00	6100.00	6110.00
Forward	6360.00	6370.00	6190.00	6200.00
Tin				
Spot	5470.00	5480.00	5450.00	5455.00
Forward	5485.00	5495.00	5470.00	5475.00
Zinc (Special High Grade)				
Spot	1254½	1255½	1237.00	1238.00
Forward	1274.00	1275.00	1257.00	1258.00

Financial

	High	Low	Close	Chge	Opint
US T BILLS (CMER) $1 million- pts of 100 pct.					
Dec 97	95.11	95.08	95.09	-0.02	5,234
Mar 98	95.19	95.14	95.18	-0.03	4,737
Jun 98	95.19	95.19	95.13	-0.03	493
Sep 98			95.10	unch.	22
Est. sales 999 Thu's sales 821					
Thu's open int 10,486, off 21					
5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Dec 97	108-40	108-02	108-26	+ 03	235,574
Jun 98			-14	unch.	
Est. sales 38,000 Thu's sales 74,640					
Thu's open int 243,842, up 5,634					
10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 97	112-06	111-10	111-24	+ 02	370,946
Mar 98	111-16	111-05	111-15	+ 02	25,915
Est. sales 85,000 Thu's sales 109,511					
Thu's open int 396,963, off 1,639					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Dec 97	118-30	117-20	118-15	+ 10	606,842
Mar 98	118-16	117-11	118-06	+ 10	74,714
Jun 98	117-25	117-16	117-16	unch.	11,711
Sep 98			117-16	+ 10	2,029
Est. sales 475,000 Thu's sales 572,482					
Thu's open int 700,066, off 9,672					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Dec 97	118-23	118-13	118-23	+0-05	167,027
Mar 98	118-29	118-20	118-29	+0-05	38,540
Jun 98	N.T.	N.T.	118-23	+0-05	205,567
Est. sales: 30,220. Prev. sales: 115,634					
Prev. open int.: 205,567 up 6,720					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Dec 97	102.83	102.45	102.82	+0.24	265,421
Mar 98	101.80	101.80	102.09	+0.24	11,016
Est. sales: 82,307. Prev. sales: 204,292					
Prev. open int.: 276,447 off 3,650					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Dec 97	99.02	98.84	98.98	Unch.	109,527
Mar 98	98.40	98.32	98.46	+ 0.02	8,708
Est. sales: 69,779.					
Open int.: 118,235 off 3,154.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Dec 97	111.72	111.45	111.58	+0.09	112,103
Mar 98	N.T.	N.T.	111.63	+0.13	1,576
Est. sales: 23,022. Prev. sales: 44,755					
Prev. open int.: 113,679 up 639					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Nov 97	94.38	94.35	94.37	unch.	35,780
Dec 97	94.24	94.20	94.23	unch.	16,029
Jan 98	94.35	94.33	94.35	unch.	4,462
Est. sales 5,680 Thu's sales 10,008					
Thu's open int 59,344, up 420					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Nov 97	94.27	94.24	94.26	unch.	22,599
Dec 97	94.31	94.23	94.26	unch.	548,706
Mar 98	94.29	94.19	94.24	unch.	433,493
Jun 98	94.24	94.12	94.18	unch.	348,772
Sep 98	94.17	94.04	94.11	unch.	255,488
Dec 98	94.06	93.94	94.01	unch.	221,302
Mar 99	94.03	93.93	93.99	unch.	154,182
Jun 99	93.96	93.89	93.95	unch.	135,155
Sep 99	93.93	93.86	93.92	unch.	103,896
Dec 99	93.87	93.80	93.86	unch.	87,478
Mar 00	93.88	93.80	93.86	unch.	69,388
Jun 00	93.85	93.77	93.83	unch.	57,467
Est. sales 480,324 Thu's sales 538,580					
Thu's open int 2,796,338, up 2,220					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Dec 97	1.6768	1.6632	1.6718	+0.0078	48,103
Mar 98	1.6680	1.6630	1.6660	+0.0080	431
Jun 98			1.6592	+0.0078	71
Est. sales 5,778 Thu's sales 5,080					
Thu's open int 48,605, off 1,236					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Dec 97	.7137	.7107	.7110	-0.0006	67,889
Mar 98	.7166	.7138	.7142	-0.0006	3,471
Jun 98	.7200	.7166	.7166	-0.0006	650
Est. sales 6,370 Thu's sales 8,116					
Thu's open int 72,448, up 97					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 97	.5852	.5788	.5814	-0.0013	63,480
Mar 98	.5859	.5827	.5842	-0.0012	2,719
Jun 98			.5867	-0.0012	2,654
Est. sales 21,629 Thu's sales 29,335					
Thu's open int 68,969, up 655					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 97	.8391	.8347	.8359	-0.0001	100,740
Mar 98	.8483	.8475	.8470	-0.0001	1,058
Jun 98			.8583	-0.0001	230
Est. sales 10,727 Thu's sales 21,085					
Thu's open int 102,029, off 2,131					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Dec 97	.7217	.7116	.7185	+0.0009	45,904
Mar 98	.7262	.7202	.7251	+0.0010	2,550
Jun 98			.7316	+0.0011	264
Est. sales 18,118 Thu's sales 24,022					
Thu's open int 48,834, off 1,359					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Dec 97	.11900	.11320	.11620	+.00319	23,141
Mar 98	.11400	.10900	.11120	+.00426	12,269
Jun 98	.11000	.10690	.10700	+.01064	2,690
Est. sales 7,884 Thu's sales 7,716					
Thu's open int 41,590, off 1,496					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Dec 97	92.66	92.64	92.66	+0.01	136,520
Mar 98	92.64	92.61	92.64	+0.01	114,029
Jun 98	92.68	92.64	92.67	+0.01	77,511
Sep 98	92.74	92.70	92.74	+0.02	67,828
Dec 98	92.84	92.80	92.84	+0.02	63,585
Mar 99	92.98	92.93	92.97	+0.02	50,249
Jun 99	93.11	93.06	93.10	+0.02	41,641
Est. sales: 28,981. Prev. sales: 54,603					
Prev. open int.: 652,006 up 1,800					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Nov 97	96.30	96.30	96.30	—0.01	3,306
Dec 97	96.27	96.22	96.27	+0.02	311,649
Jan 98	96.18	96.18	96.21	+0.02	1,370
Mar 98	96.04	95.97	96.03	+0.02	227,439
Jun 98	95.80	95.75	95.80	+0.01	205,886
Sep 98	95.62	95.55	95.61	+0.02	192,471
Dec 98	95.43	95.34	95.42	+0.02	176,490
Mar 99	95.27	95.19	95.27	+0.04	194,752
Jun 99	95.12	95.04	95.12	+0.04	89,821
Sep 99	94.95	94.90	94.97	+0.04	75,925
Est. sales: 126,103. Prev. sales: 274,583					
Prev. open int.: 1,809,397 off 6,912					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Dec 97	96.26	96.24	96.25	—0.01	45,316
Mar 98	95.99	95.96	95.98	—0.02	49,014
Jun 98	95.75	95.72	95.73	—0.02	29,780
Sep 98	95.55	95.52	95.54	—0.02	18,268
Dec 98	95.41	95.38	95.40	—0.02	25,083
Mar 99	95.26	95.23	95.25	—0.02	46,121
Jun 99	95.10	95.09	95.09	—0.04	12,909
Sep 99	94.94	94.93	94.94	—0.03	8,845
Est. sales: 38,200.					
Open int.: 252,364 off 4,305.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Dec 97	93.73	93.67	93.70	—0.04	105,800
Mar 98	94.47	94.41	94.42	—0.02	104,052
Jun 98	94.90	94.85	94.89	+0.02	105,434
Sep 98	95.04	94.97	95.03	+0.05	64,618
Dec 98	95.06	94.99	95.05	+0.04	58,891
Mar 99	94.99	94.94	94.99	+0.05	30,424
Est. sales: 53,109 Prev. sales: 58,563					
Prev. open int.: 490,445 up 1,459					

Industrials

	High	Low	Latest	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Dec 97	72.50	71.85	72.32	+0.27	46,723
Mar 98	73.69	73.10	73.37	-0.03	17,583
May 98	74.35	73.90	74.01	-0.14	10,114
Jul 98	75.10	74.65	74.68	-0.10	9,794
Oct 98	75.60	75.55	75.55	-0.05	870
Est. sales N.A. Thu's sales 13,197					
Thu's open int 95,667, off 411					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Dec 97	59.75	58.80	58.93	-0.33	56,024
Jan 98	60.40	59.40	59.68	-0.23	23,260
Feb 98	60.50	59.70	59.88	-0.23	12,417
Mar 98	59.70	59.08	59.08	-0.23	9,026
Apr 98	58.10	57.38	57.38	-0.23	5,480
May 98	56.50	55.93	55.93	-0.23	3,623
Jun 98	56.00	55.43	55.43	-0.23	2,769
Est. sales N.A. Thu's sales 42,432					
Thu's open int 130,428, off 688					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Dec 97	21.42	21.05	21.08	-0.14	97,846
Jan 98	21.47	21.16	21.18	-0.11	51,446
Feb 98	21.40	21.14	21.14	-0.11	34,253
Mar 98	21.27	21.03	21.03	-0.11	20,840
Apr 98	21.12	20.93	20.93	-0.12	15,129
May 98	21.05	20.85	20.85	-0.12	16,567
Est. sales N.A. Thu's sales 91,811					
Thu's open int 390,671, off 8,337					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Dec 97	3.570	3.445	3.550	+0.072	58,890
Jan 98	3.490	3.400	3.470	+0.034	32,552
Feb 98	3.060	2.990	3.060	+0.039	23,067
Mar 98	2.700	2.620	2.690	+0.050	16,828
Apr 98	2.350	2.280	2.335	unch.	10,023
May 98	2.260	2.240	2.250	+0.010	8,316
Est. sales N.A. Thu's sales 56,122					
Thu's open int 235,761, off 1,766					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Dec 97	61.00	60.05	60.22	-0.33	34,760
Jan 98	60.90	60.20	60.28	-0.27	18,871
Feb 98	61.15	60.62	60.62	-0.23	8,335
Mar 98	61.30	61.12	61.12	-0.18	5,396
Apr 98	64.00	63.40	63.52	-0.18	5,757
May 98	63.80	63.22	63.22	-0.18	4,339
Jun 98			62.62	-0.18	3,547
Jul 98			61.77	-0.18	3,584
Est. sales N.A. Thu's sales 33,465					
Thu's open int 94,372, off 1,898					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Nov 97	184.50	182.00	183.00	+2.00	26,461
Dec 97	185.00	182.75	184.00	+2.00	21,558
Jan 98	185.50	183.50	184.75	+1.75	14,517
Feb 98	184.75	183.50	184.50	+2.00	8,580
Mar 98	182.50	181.50	182.25	+2.00	6,024
Apr 98	178.50	178.50	179.75	+1.75	3,256
May 98	176.25	176.25	177.25	+1.75	1,632
Est. sales: 14,150. Prev. sales: 14,966					
Prev. open int.: 97,652 off 1,217					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Dec 97	20.31	20.01	20.02	—0.08	58,919
Jan 98	20.32	20.03	20.03	—0.10	50,196
Feb 98	20.22	19.99	20.02	—0.02	17,584
Mar 98	20.08	19.84	19.87	—0.03	6,397
Apr 98	19.87	19.71	19.74	—0.03	5,350
May 98	19.70	19.61	19.61	—0.03	5,217
Est. sales: 38,000. Prev. sales: 44,883					
Prev. open int.: 162,546 off 3,314					

Stock Indexes

	High	Low	Latest	Chge	Opint
SP COMP INDEX (CMER) 500 x index					
Dec 97	926.00	906.00	920.00	+16.90	193,800
Mar 98	934.00	923.25	930.25	+17.90	6,314
Jun 98	942.50	942.50	942.50	+20.30	1,407
Est. sales N.A. Thu's sales 75,760					
Thu's open int 201,564, off 3,646					
FTSE 100 (LIFFE) £25 per index point					
Dec 97	4891.0	4790.0	4850.0	+60.0	70,953
Mar 98	4915.0	4856.0	4890.0	+61.0	5,273
Est. sales: 12,808. Prev. sales: 18,412					
Prev. open int.: 76,226 up 97					
CAC 40 (MATIF) FF200 per index point					
Oct 97	2773.0	2716.0	2767.0	+37.0	12,797
Nov 97	2785.0	2720.0	2731.0	— 6.00	48,092
Dec 97	2780.0	2723.5	2738.0	— 6.00	17,978
Mar 98	2785.0	2785.0	2749.5	— 16.0	10,318
Est. sales: 56,684.					
Open int: 104,785 up 4,326					

Commodity Indexes

	Close	Previous
Moody's	1,512.80	1,524.20
Reuters	1,820.30	1,826.70
D.J. Futures	142.80	143.33
CRB	240.04	240.56

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

هكذا من الأصل

EUROPE

NatWest Bars Deutsche Bank Bid for Equities Unit

By John Schmid
International Herald Tribune

FRANKFURT — Deutsche Bank AG disclosed plans Friday for another major acquisition in its investment-banking business, with an offer to acquire the 1,750-member global equities team at National Westminster Bank PLC in Britain.

The German bank's confident announcement early in the European business day, however, quickly ran into an obstacle when NatWest rejected what it called the "unsolicited" bid and said it was not in the best interests of its shareholders or employees."

The terms of the offer were not disclosed.

"We said no, and we are not talking to them any more," Patricia Hamzahee, a spokeswoman for NatWest's investment banking operations, said. "I can tell you categorically that this is not a negotiating ploy."

Deutsche Bank, however, is not expected to give up. One German banker familiar with the negotiations called the rejection a bargaining maneuver in a "chess game," with NatWest trying to get a higher price or possibly also trying to package the divestiture with other operations it wants to sell.

"It is clear that this is what Deutsche Bank wants," said Stefan Ermisch, an industry analyst in Dusseldorf for Westdeutsche Landesbank Research.

Deutsche Bank is considered the most serious bidder for NatWest's equities business, he said.

"We are in the middle of talks," Rolf Breuer, chief executive of Deutsche Bank, said as he divulged the plans. "We hope to complete the discussion in the coming weeks."

Michael Philipp, head of global equities at Deutsche Morgan Grenfell, said Deutsche Bank would not raise its offer. "Our proposal is going to stand," he said.

If Deutsche Bank succeeds, the acquisition would consolidate its position as Europe's biggest and most aggressively expanding bank. To compete for lucrative international deals, the German giant also is said to be shopping for a big Wall Street firm as well as looking for a foothold in the French financial industry through an acquisition.

Any of those expansions would increase the number of Deutsche Bank jobs held outside Germany when banking jobs at home are disappearing amid mergers and restructurings. Deutsche Bank uses London as the headquarters for nearly all of its securities business, which is its fastest-growing sector.

A NatWest acquisition would fill a weakness in the German bank's London-based investment banking arm, Deutsche Morgan Grenfell.

Just before Deutsche Bank acquired Grenfell in 1990, the British merchant bank decided to sell its equities business.

As a result, Deutsche has become a European leader in bonds but is known to be dissatisfied with its capacity in British equities. NatWest, meanwhile, presides over one of London's premier equities addresses.

Deutsche's latest effort reflects its determination to break into the top league of investment banking powerhouses such as Merrill Lynch & Co. and Goldman, Sachs & Co. Deutsche is following a make-or-break strategy when many banks are having to either merge or scale back and become niche players. Already this year, Morgan Stanley Group Inc. has merged with Dean Witter, Discover & Co., Travelers Group Inc. has acquired Salomon Brothers Inc., and Swiss Bank Corp. has acquired Dillon, Read & Co.

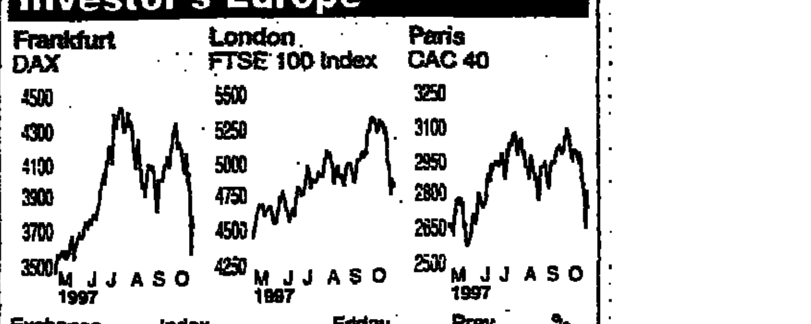
Like Barclays Bank PLC, a British commercial bank that has unveiled plans to sell its investment-banking arm, BZW, NatWest has abandoned ambitions to break into the top league of global investment banks.

In Frankfurt, Deutsche Bank expects NatWest to come under pressure to negotiate, analysts and industry specialists said. With the realization that their company is up for sale, NatWest's equities talent might begin to leave the firm and join Deutsche, Mr. Ermisch said.

With BZW also up for sale, "it is a buyer's market and not a seller's market" for London's investment banks, strengthening Deutsche's position, Mr. Ermisch said.

As one of the world's best-capitalized banks, Deutsche Bank could afford the expansion, analysts said.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	AEX	859.57	855.42	+0.49
Brussels	BEL-20	2,336.84	2,289.16	+2.08
Frankfurt	DAX	3,726.69	3,727.40	-0.02
Copenhagen	Stock Market	618.36	613.92	+0.72
Helsinki	HEX General	3,443.47	3,400.83	+1.25
Oslo	OBX	695.54	699.98	-0.63
London	FTSE 100	4,842.30	4,801.90	+0.84
Madrid	Stock Exchange	560.94	565.97	-0.89
Milan	MIBTEL	14764	14705	+0.40
Paris	CAC 40	2,739.30	2,739.47	-0.01
Stockholm	SX 16	3,133.56	3,123.60	+0.32
Vienna	ATX	1,307.02	1,268.10	+3.07
Zurich	SPI	3,474.77	3,418.43	+1.65

Source: Telekurs — International Herald Tribune

In Britain, Tea for Two Will Cost Much More

Bloomberg News

LONDON — Tea-lovers can expect to pay more soon for their beverage of choice, as R. Twining & Co. said Friday it would raise British tea prices by between 5 percent and 10 percent in January.

A drought in Kenya, one of the world's two largest tea exporters along with Sri Lanka, has slashed crops, driving up tea prices at auctions in Mombasa by more than 50 percent in 12 months.

Meanwhile, demand for quality tea in the Middle East, India, Bangladesh and countries of the former Soviet Union, particularly Russia, is growing.

Twining, which has 4 percent to 5 percent of the British tea market, is considering raising prices on its 13 brands of tea — including English Breakfast, Darjeeling and Lapsang — about 10 pence from the current 145 pence ($2.42) for a box of 50 teabags, Ian Dewar, the company's commercial director, said.

Twining last raised its tea prices in Britain — which is the largest tea market in Europe and is bigger than the United States — in May 1996, also by 10 pence.

Twining, a subsidiary of Associated British Foods PLC, produces expensive specialty teas, but Mr. Dewar said: "I know there are general moves to raise retail prices, probably in January or February. The major tea companies are talking to the big retailers."

He said a rise in tea prices at auctions in London, Mombasa and on the Indian subcontinent earlier in the year had been sustained, and there was no sign of a drop in prices soon. The price of tea at auction accounts for about 25 percent of the cost of the retail product.

The price of a lower-medium Kenyan tea, a benchmark type used in tea bags, has risen to $2.09 a kilogram in Mombasa now from $1.36 a year ago.

"I don't see the market weakening in the next six months — if anything, it could go higher," said Timothy Carter, a director at Thompson Lloyd & Ewart, one of London's two tea brokers.

In the first eight months of this year, Kenya produced about 130.5 million kilograms of tea, down from 170 million a year earlier.

Greece Raises Key Rate to 150%

Compiled by Our Staff From Dispatches

ATHENS — The Bank of Greece moved to defend the drachma against speculators Friday by raising its key money-market rate to 150 percent from 10.9 percent.

The currency was slightly higher on the news. The dollar ended in Athens at 270.74 drachmas, down from 270.92 drachmas Thursday. The U.S. currency traded as high as 293.68 drachmas on Aug. 6.

The move was the central bank's biggest rate increase since May 1994, when Greece lifted foreign-exchange restrictions. The higher rate makes it more expensive for speculators to borrow drachmas in order to sell them and then buy them back more cheaply later, a move known as selling short.

Soaring money rates sent bond yields sharply higher, with Greece's 10-year bond surging to 11.30 percent from 10.92 percent before the central bank's move. The Athens bourse's main index closed at 1,488.53, down 62.32 points, or 4.02 percent.

"It is clear that the Bank of Greece is determined to use interest rates to protect the drachma," said George Kontoyiannis, treasurer at Bank of Piraeus. "Judging from today's fixing, it is fair to say that it succeeded in doing so."

Since Monday, the central bank has spent at least $2 billion to support the drachma as Greek stocks and bonds dropped, bankers said. A drop in stocks worldwide this week prompted concern that currency devaluations and rising interest rates would spread to other emerging markets, including Greece.

"A stable drachma is the cornerstone of our economic policy," Finance Minister Yannos Papandoniou said late Thursday after a meeting with Prime Minister Costas Simitis.

Greece has been running a so-called hard-drachma policy for at least three years, pegging the currency to the European currency unit to combat inflation, which has fallen from double-digit levels to around 5 percent. *(Bloomberg, Reuters)*

Frankfurt Exchange Maps Its Euro Switch

Bloomberg News

FRANKFURT — Deutsche Boerse AG, the holding company for Frankfurt's securities exchange, said Friday it would convert all its securities to euros, Europe's planned single currency, on Jan. 4, 1999, which is scheduled to be that year's first day of trading.

The conversion to the euro known, will affect all equity, fixed-income and derivative securities and settlement procedures, the exchange said.

The European Union is scheduled to decide next spring which of its 15 member countries will be part of the single currency at its outset. The Frankfurt exchange, which handles more than 80 percent of all securities transactions in Germany, is to complete preparations for the switch to the euro by the middle of next year. Deutsche Boerse said it would then begin testing the new measures with market participants.

The move follows other German efforts to more closely link European exchanges. Last month, Deutsche Boerse announced plans to combine trading and clearing operations for its futures exchange with its French and Swiss counterparts.

Very briefly:

- **The Swiss Competition Commission** has opened an investigation into **Volkswagen AG**'s carmaking and sales activities in Switzerland after a preliminary inquiry indicated anti-competitive practices.
- **France**'s unemployment rate was unchanged at 12.5 percent in September, close to its record high of 12.6 percent in June, despite a small drop in the number of unemployment claimants to 3.128 million.
- **Germany**'s lower house of Parliament approved a one percentage-point increase in the value-added tax, to 16 percent, to help finance changes to the state pension system.
- **IG Metall**, Germany's largest union, agreed with employers' federations in three states to continue a job-security pact covering 366,000 workers for a third year. Under the deal, employers will reduce the working week to 30 hours from 35 hours rather than cut jobs at times of reduced profitability, and workers will lose the right to an annual Christmas bonus.
- **Redland PLC** advised its shareholders to reject a £2.07 billion ($3.5 billion) takeover bid from **Lafarge SA**. The British building materials company said it was in talks with other bidders.
- **London Clubs International PLC**, a British leisure company, and **Planet Hollywood International Inc.**, a U.S. leisure company, plan to jointly develop a $250 million music-themed hotel and casino in Las Vegas.
- **Royal Doulton PLC** plans to close two factories in Stoke-on-Trent, England, and relocate workers as the British maker of china tableware restructures to improve earnings.
- **Hugo Boss AG**'s nine-month net income rose 20 percent, and the maker of men's designer clothing predicted a similar gain for the full year but did not make a specific forecast. Sales in the period rose 15 percent, to 944 million Deutsche marks ($549 million). *AFP, Bloomberg, Reuters*

WORLD STOCK MARKETS

Friday, Oct. 31
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 859.57 Previous: 855.42

	High	Low	Close	Prev.
ABN-AMRO	39.20	38.10	39.10	38.30
Aegon	158.20	151.50	153	151.90
Ahold	50.60	48.40	49.70	50.50
Akzo Nobel	343.80	337	342.10	335.50
Baan Co.	141	135.60	137.50	138
Bols Wess cva	31.40	30.30	31	31.40
CSM cva	89.70	88.20	88.60	88.40
Dordtsche Pet	105.50	103	104.20	104.30
DSM	181.10	175.30	175.30	178.90
Elsevier	30.90	30.30	30.50	30.40
Fortis Amev	78	75.70	76.30	76.10
Getronics	65.40	63.50	64.10	64
G-Broc cva	52.70	50.50	51.20	51.80
Hagemeyer	86	82.50	85.50	85
Heineken	319	312	315.80	315
Hoogovens cva	93.50	87.80	89	92
Hunt Douglas	80	78.80	80	80.10
ING Group	82.20	79.70	81.50	79.90
KLM	67.90	65.50	65.80	66.50
KNP BT	44.60	43.20	44.20	45.10
KPN	74.60	72.30	74.20	73.80
Nedlloyd Gp	59	57.50	57.70	58.50
Nutricia	56	53.30	55.50	54
Oce Grinten	224.60	219.60	221.50	221.50
Philips Elec	154.50	149	152	150.30
Polygram	112	107	110.40	107
Randstad Hdg	78.50	77	77.50	76
Robeco	182	177.10	181	178
Rodamco	57.10	56.10	57.10	56
Rolinco	175.80	172.50	175.80	174
Rorento	118.90	118.20	118.90	117.50
Royal Dutch	104.80	101.90	102.70	103.50
Unilever	105.30	102.80	103.20	103.80
Vendex Intl	106.50	103	106	104.20
VNU	46.10	44.90	46	46.50
Wolters Kl cva	241.30	237.10	238.40	238.30

Bangkok
SET index: 447.21 Previous: 445.89

	High	Low	Close	Prev.
Adv Info Svc	228	202	216	216
Bangkok Bk F	143	134	140	140
Krung Thai Bk	14.25	13.25	14	14.50
PTT Explor	386	360	380	362
Siam Cement F	364	342	342	374
Siam Com Bk F	80.50	76.50	78.50	78
Telecomasia	18.50	16.75	18	18.50
Thai Airways	46	40.75	46	42
Thai Farm Bk F	115	105	110	110
Utd Comm	70.50	66	68	73

Markets Closed

The stock markets in Bombay and Taipei were closed Friday for a holiday.

Brussels
BEL-20 index: 2336.84 Previous: 2289.16

	High	Low	Close	Prev.
Almanij	1575	1525	1575	1560
Barco Ind	6950	6750	6850	6750
BBL	9070	8800	9030	8790
CBR	3150	2985	3100	2960
Colruyt	19050	18325	19050	18475
Delhaize Lion	1700	1655	1685	1680
Electrabel	7990	7720	7970	7800
Electrafina	3370	3268	3300	3340
Fortis AG	6790	6650	6740	6750
Gevaert	1486	1452	1452	1480
GBL	5550	5260	5500	5290
Gen Banque	14575	13850	14525	14000
Kredietbank	14900	14350	14900	14500
Petrofina	13250	12975	13075	12975
Powerfin	5030	5000	5030	5000
Royale Belge	9400	9100	9400	9020
Soc Gen Belg	3290	3215	3220	3235
Solvay	2160	2095	2140	2120
Tractebel	3040	3020	3025	3030
UCB	123000	118300	122700	117100

Copenhagen
Stock index: 618.36 Previous: 613.92

	High	Low	Close	Prev.
BG Bank	430	405	421.62	415
Carlsberg B	363	345	345	348
Codan Fors	1010	980	1010	1000
Danisco	379	369	371	374
Den Danske Bk	745	730	740	735
D/S Svendborg B	415000	395000	400000	400000
D/S 1912 B	300000	285000	285000	295000
FLS Ind B	180	174	175	175
Kob Lufthavne	785	785	785	770
Nvo Nordisk B	716.80	699	710	710
Sophus Ber B	1010	970	990	970
Tele Danmk B	386	377.35	385	376.89
Tryg Baltica	410	402	405	399
Unidanmark A	447	434	443	433

Frankfurt
DAX: 3726.69 Previous: 3727.40

	High	Low	Close	Prev.
AMB B	160.50	158	160.50	158
Adidas	255	249.50	249.50	249
Allianz Hdg	393.50	384	384	389
Altana	127	123.20	125.30	123.80
Bk Berlin	42.70	42.50	42.50	42.70
BASF	59.40	58.50	58.50	58.50
Bayer Hypo Bk	73.75	71.50	71.50	72
Bay.Vereinsbank	101	99.50	100	99.50
Bayer	62.75	60.50	60.50	61.90
Beiersdorf	76	74	74	74.90
Bewag	40.10	39.10	39.10	39.50
BMW	1260	1247	1247	1240
CKAG Colonia	150.70	149	149.50	150
Commerzbank	59.80	58.30	58.50	58.40
Daimler Benz	117.30	114.20	115.50	113.30
Degussa	82.70	77.50	77.50	77.10
Deutsche Bank	114.30	112.80	112.80	112.15
Deut Telekom	32.50	32	32.30	31.95
Dresdner Bank	72	70.50	70.50	71.10
Fresenius	267	264	264	265
Fresenius Med	124.80	121.50	121.50	123.50
Fried. Krupp	335	330.50	330.50	334
Gehe	91.80	89.50	90	90.50
Heidelbg Zmt	145	143	143.20	148
Henkel pfd	93.50	89.50	89.50	91
HEW	474	465	465	465
Hochtief	74.50	73.10	74.20	73.50
Hoechst	66.75	65.35	65.60	66.60
Karstadt	608	580	600	579.50
Lahmeyer	85.50	83.10	85	84.50
Linde	1050	1035	1040	1012
Lufthansa R	31	30.10	30.10	30.01
MAN	528	519	519	524
Mannesmann	743	725	728	736
Metallgesellschaft	35.50	34.05	34.30	34.20
Metro	76.80	75.30	75.80	75
Munch Rueck R	508	502	502	508
Preussag	460	447	447	452.70
RWE	76.20	74.80	74.80	75.80
SAP pfd	499	490	494.50	479
Schering	174	167	167.10	163
SGL Carbon	245.80	242	242	242
Siemens	107.40	106.10	106.10	105.80
Springer (Axel)	1450	1450	1450	1460
Suedzucker	870	860	870	860
Thyssen	383	378	380.50	382
Veba	97.90	96.05	96.10	94.60
VEW	590	575	580	620
Viag	810	800.50	800.50	798.50
Volkswagen	1025	1016	1019	1029

Helsinki
HEX General index: 3443.47 Previous: 3400.83

	High	Low	Close	Prev.
Enso A	52	48.20	49	49
Huhtamaki I	215.50	213	213	211
Kemira	56	52.50	52.50	55
Kesko	74.90	72	72.50	72
Merita A	25.40	24.70	25.30	24.90
Metra B	140	137.50	138	139
Metso-Serla B	46	45.50	45.50	45
Neste	131	125	130	132
Nokia A	469	440.10	452	441
Orion-Yhtymae	191.90	190	191	190
Outokumpu A	78	76.50	77	76
UPM Kymmene	120	113	115.10	116
Valmet	83.50	79	81	82.50

Hong Kong
Hang Seng: 10623.78 Previous: 10362.86

	High	Low	Close	Prev.
Amoy Props	6.80	6.30	6.65	6.55
Bk East Asia	17.45	16.25	17.30	17.30
Cathay Pacific	8.20	7.55	8.15	7.80
Cheung Kong	57	51.50	54	54.25
CK Infrastruct	20	16.95	19.90	18
China Light	41.50	37.40	40.60	38.80
Citic Pacific	37.50	32.30	37	33.90
Dao Heng Bk	18.05	17	17.85	18
First Pacific	4.95	4.30	4.90	4.50
Hang Lung Dev	11.20	10.40	11	10.60
Hang Seng Bk	68.25	60	67	66.25
Henderson Inv	6	5.45	5.70	5.95
Henderson Ld	43.50	40	42.80	42.40
HK China Gas	14.60	13.15	14.60	13.80
HK Electric	26.90	24.60	26.20	25.25
HK Telecomm	15.25	13.20	14.75	13.85
Hopewell Hdgs	2.17	1.97	2.17	2.02
HSBC Hdgs	178	167	174.50	173.50
Hutchison Wh	55.50	50.25	53.75	53
Hysan Dev	16.70	15.40	16.15	15.90
Johnson El Hdg	21.50	21.10	21.10	21.70
Kerry Props	16	15.20	16	15.20
New World Dev	28.40	26.05	27.20	27.25
Oriental Press	1.97	1.75	1.93	1.80
Pearl Oriental	0.56	0.48	0.55	0.51
SHK Props	59.50	53.50	57	57.50
Shun Tak Hdgs	2.65	2.45	2.63	2.50
Sino Land Co.	5.15	4.83	5	5.20
Sth China Post	6.80	6	6.70	6.90
Swire Pac A	42	38.90	41.30	39.60
Wharf Hdgs	16	14.35	15.85	15.40
Wheelock	9	8.10	8.80	8.80

Jakarta
Composite index: 588.42 Previous: 582.87

	High	Low	Close	Prev.
Astra Intl	2800	2500	2675	2675
Bk Intl Indon	825	750	775	800
Bk Negara	825	750	775	800
Gudang Garm	10500	9300	10200	9800
Indocement	1950	1875	1950	1950
Indofood	3750	3500	3600	3800
Indosat	8150	8025	8125	8150
Sampoerna HM	6600	5800	6275	6075
Semen Gresik	3550	3400	3500	3425
Telekomunikasi	3700	3350	3350	3600

Johannesburg
All Market: 6589.12 Previous: 6294.98

	High	Low	Close	Prev.
ABSA Group	28.75	27.30	28.50	27
AngloAm Coal	266	265	266	265
AngloAm Corp	208	200	208	195
AngloAm Gold	217	211	214	215
AngloAm Ind	144	129	144	127
AngloAM Plat	74.50	71.50	74	72.90
AVMIN	8.60	8.20	8.20	8.40
Barlow	51	47	48.50	47
C.G. Smith	22.50	20	21	19.50
De Beers	115.40	110	114.80	108.40
Driefontein	35.50	34.25	34.25	33
Fst Natl Bk	36.50	35.75	36.25	35.20
Gencor	11	10.50	10.80	10.15
GFSA	90	75	90	74.80
Imperial Hdgs	59.50	55.50	59.30	55.50
Ingwe Coal	19	18	19	18
Iscor	2.55	2.34	2.50	2.31
Johnnies Indl	54.50	51.80	54	51.50
Liberty Hdgs	320	292.20	320	292
Liberty Life	120	113	120	112
LibLife Strat	15	14	15	13.90
Minorco	97.50	85.70	97.50	82.50
Nampak	15.50	14	15	13.60
Nedcor	102	97	101	97
Rembrandt Gp	39.50	38	39.50	37.90
Richemont	58	53.50	56.70	53
SA Breweries	128	124.60	127.60	123.80
Samancor	32	31.50	32	31.75
Sasol	58.50	55.50	58	55.50
SBIC	204	185	204	186
Tiger Oats	69	63	67.50	62.50

Kuala Lumpur
Composite: 664.69 Previous: 662.48

	High	Low	Close	Prev.
AMMB Hdgs	5.85	5.40	5.45	5.80
Genting	9.40	8.90	9.40	9
Mal Banking	13.50	12.80	12.90	12.40
Mal Intl Ship F	5.70	5.50	5.60	5.60
Petronas Gas	9.25	9	9	9.15
Proton	8.05	7.90	8	8.20
Public Bk	2.13	2.03	2.09	2.06
Renong	3.06	2.99	3.06	3.10
Resorts World	6	5.70	5.95	5.80
Rothmans PM	27	25.75	26.75	26.50
Sime Darby	4.96	4.64	4.80	4.72
Telekom Mal	8.85	8.25	8.65	8.35
Tenaga	7.40	7.05	7.20	7.15
Utd Engineers	8.10	7.70	7.90	8
YTL	3.76	3.32	3.70	3.36

London
FT-SE 100: 4842.30 Previous: 4801.90

	High	Low	Close	Prev.
Abbey Natl	9.60	9.15	9.47	9.25
Allied Domecq	4.97	4.82	4.87	4.95
Anglian Water	8.06	7.92	8.01	8
Argos	6.35	6.06	6.32	6.05
Asda Group	1.56	1.53	1.55	1.54
Assoc Br Foods	4.81	4.55	4.80	4.81
BAA	5.78	5.43	5.46	5.45
Barclays	15.18	14.80	14.90	14.93
Bass	8.32	7.29	8.28	7.89
BAT Ind	5.75	5.11	5.22	5.19
Bank Scotland	5	4.71	4.92	4.81
Blue Circle	3.55	3.37	3.52	3.32
BOC Group	10.04	9.69	10.03	9.93
Boots	8.90	8.32	8.54	8.50
BPB Ind	3.27	3.25	3.26	3.28
Brit Aerosp	16	15.59	15.80	15.62
Brit Airways	5.90	5.78	5.82	5.81
BG	2.63	2.45	2.58	2.59
Brit Land	7.02	6.71	6.95	6.72
Brit Petm	8.85	8.59	8.64	8.65
BSkyB	4.30	4.05	4.23	4.17
Brit Steel	1.60	1.57	1.58	1.58
Brit Telecom	4.70	4.47	4.53	4.57
BTR	2.22	2	2.01	2.03
Burmah Castrol	10.32	9.90	10.25	10.15
Burton Gp	1.28	1.26	1.28	1.25
Cable Wireless	4.85	4.51	4.76	4.68
Cadbury Schw	6.06	5.87	6	5.96
Carlton Comm	5	4.83	4.93	4.82
Coml Union	8.72	8.28	8.40	8.48
Compass Gp	6.36	6.28	6.36	6.36
Courtaulds	2.80	2.73	2.77	2.77
Dixons	6.99	6.74	6.97	6.83
Electrocomponents	4.65	4.61	4.63	4.62
EMI Group	4.89	4.71	4.83	4.79
Energy Group	6.12	6.02	6.05	6.04
Enterprise Oil	6.78	6.57	6.66	6.57
Fam Colonial	1.70	1.68	1.70	1.69
Genl Accident	10.25	9.78	10.15	9.95
GEC	3.84	3.75	3.81	3.77
GKN	13.48	13.05	13.37	13.01
Glaxo Wellcome	12.98	12.41	12.78	12.37
Granada Gp	8.24	7.38	8.15	8.13
Grand Met	5.39	5.25	5.38	5.33
GRE	2.98	2.92	2.93	2.85
Greenalls Gp	3.55	3.35	3.53	3.37
Guinness	5.38	5.24	5.33	5.30
GUS	7.18	6.72	7.07	7.10
Hays	7	6.81	6.97	6.87
HSBC Hdgs	14.91	13.25	14	13.83
ICI	9.07	8.07	8.80	8.99
Impl Tobacco	3.68	3.62	3.67	3.64
Kingfisher	8.61	8.22	8.58	8.43
Ladbroke	2.72	2.65	2.67	2.64
Land Sec	10.15	9.73	10	9.80
Lasmo	2.87	2.71	2.73	2.66
Legal Genl Grp	5.10	4.70	4.95	5
Lloyds TSB Gp	7.70	7.14	7.45	7.40
LucasVarity	2.06	2.03	2.06	2.03
Marks Spencer	6.35	6.05	6.20	6.22
MEPC	5.23	5.15	5.20	5.15
Mercury Asset	13.30	12.80	13.15	13.07
National Grid	2.81	2.60	2.81	2.77
Natl Power	4.97	4.20	4.91	4.93
NatWest	9.05	8.35	8.59	9
Next	7.10	6.70	7.10	7.01
Norwich Union	3.44	3.33	3.40	3.21
Orange	2.31	2.20	2.24	2.24
P&O	7	6.80	6.90	6.82
Pearson	7.80	7.54	7.70	7.60
Pilkington	1.53	1.50	1.51	1.51
PowerGen	6.70	6.47	6.59	6.60
Premier Farnell	4.69	4.60	4.62	4.62
Prudential	6.41	6.21	6.36	6.28
Railtrack Gp	9.70	9.12	9.53	9.30
Rank Group	3.35	3.29	3.33	3.31
Reckitt Colm	9.15	8.66	8.77	8.82
Redland	2.43	2.30	2.40	2.29
Reed Intl	5.90	5.71	5.90	5.73
Rentokil Initial	2.45	2.29	2.40	2.33
Reuters Hdgs	6.68	6.36	6.47	6.45
Rexam	3.13	3.07	3.11	3.12
RTZ reg	8.82	7.22	7.68	7.80
RMC Group	9.32	8.96	9.09	9.07
Rolls Royce	2.14	2.05	2.14	2.09
Royal Bk Scot	6.78	6.21	6.32	6.17
Royal & Sun All	5.79	5.57	5.72	5.53
Safeway	3.90	2.70	3.88	3.92
Sainsbury	5.04	4.92	4.98	4.98
Schroders	17.65	14.75	17.10	17.10
Scot Newcastle	6.80	6.49	6.75	6.58
Scot Power	4.67	4.29	4.46	4.41
Securicor	2.71	2.67	2.71	2.68
Severn Trent	8.71	8.50	8.64	8.56
Shell Transp R	4.28	4.13	4.23	4.19
Siebe	11.65	11	11.45	11.49
Smith Nephew	1.75	1.74	1.74	1.75
SmithKline	5.82	5.47	5.65	5.50
Smiths Ind	8.70	8.39	8.65	8.42
Sthern Elec	4.70	4.45	4.59	4.55
Stagecoach	7.32	7.25	7.29	6.95
Stand Charter	6.51	6.28	6.46	6.25
Tate & Lyle	4.55	4.50	4.55	4.51
Tesco	4.77	4.67	4.77	4.68
Thames Water	9.15	8.77	9.85	8.89
3i Group	4.90	4.72	4.74	4.80
TI Group	5.60	5.32	5.40	5.50
Tomkins	3.10	2.98	3.10	3
Unilever	4.52	4.25	4.43	4.48
Utd Assurance	4.80	4.72	4.76	4.76
Utd News	7.85	7.41	7.50	7.38
Utd Utilities	7.33	7.22	7.29	7.30
Vendome Lx uts	3.68	3.63	3.63	3.64
Vodafone	3.34	3.25	3.25	3.30
Whitbread	8.10	7.58	8.10	7.92
Williams Hdgs	3.58	3.42	3.53	3.60
Wolseley	5.06	4.85	4.97	5.07
WPP Group	2.74	2.70	2.73	2.72
Zeneca	19.25	18.44	18.81	18.50

Madrid
Bolsa index: 560.94 Previous: 565.97

	High	Low	Close	Prev.
Acerinox	21740	21150	21730	21100
ACESA	1890	1800	1880	1800
Aguas Barcelon	5940	5750	5820	5690
Argentaria	8140	7960	8080	7990
BBV	4045	3820	3890	4015
Banesto	1385	1320	1345	1365
Bankinter	7250	7090	7140	7190
Bco Centro Hisp	2765	2680	2720	2735
Bco Popular	8600	8300	8590	8370
Bco Santander	4115	3950	4075	4145
CEPSA	4285	4050	4200	4150
Continente	3000	2810	2855	2950
Corp Mapfre	6800	6538	6650	6780
Endesa	2820	2720	2740	2800
FECSA	1160	1125	1125	1145
Gas Natural	6900	6600	6740	6830
Iberdrola	1770	1715	1740	1750
Pryca	2350	2250	2310	2250
Repsol	6350	6100	6100	6240
Sevillana Elec	1340	1275	1295	1325
Tabacalera	10950	10340	10480	10670
Telefonica	4165	3970	3970	4090
Union Fenosa	1400	1380	1390	1400
Valenc Cement	2750	2675	2745	2750

Manila
PSE Index: 1818.09 Previous: 1813.16

	High	Low	Close	Prev.
Ayala B	13.25	12.50	13	12.75
Ayala Land	14	13.50	13.75	13.75
Bk Philip Isl	94.50	93	93.50	93.50
C&P Homes	2.70	2.44	2.65	2.55
Manila Elec A	65.50	63.50	65.50	64.50
Metro Bank	245	235	245	239
Petron	3.85	3.65	3.75	3.80
PCIBank	136	133	133	136
Phil Long Dist	880	830	875	845
San Miguel B	40.50	36	39.50	42.50
SM Prime Hdg	6.20	5.80	6.20	6

Mexico
Bolsa index: 4648.60 Previous: 4629.58

	High	Low	Close	Prev.
Alfa A	64.00	59.00	61.00	62.00
Banacci B	17.70	16.70	17.00	16.80
Cemex CPO	34.10	31.85	32.75	33.35
Cifra C	15.00	14.26	14.64	14.30
Emp Modelo	40.70	39.95	40.50	41.00
Gpo Carso A1	54.80	52.20	53.90	52.30
Gpo F Bcomer	2.93	2.83	2.93	2.84
Gpo Fin Inbursa	29.10	27.50	27.50	27.60
Kimb Clark Mex	34.70	35.50	34.55	35.45
Televisa CPO	131.00	130.00	131.00	134.90
TelMex L	18.30	17.42	17.96	18.00

Milan
MIB Telematico: 14764.00 Previous: 14705.00

	High	Low	Close	Prev.
Alleanza Assic	14720	14200	14565	14250
Bca Comm Ital	4670	4495	4620	4630
Bca Fideuram	6600	6350	6450	6365
Bca di Roma	1575	1500	1549	1539
Benetton	25050	23750	24650	23600
Credito Italiano	4570	4430	4515	4435
Edison	9000	8745	8850	8750
ENI	9820	9510	9520	9635
Fiat	5575	5340	5385	5540
Generali Assic	37950	37000	37850	36800
IMI	15600	15140	15140	15155
INA	2790	2715	2725	2700
Italgas	6225	5950	6025	6000
Mediaset	7860	7650	7680	7710
Mediobanca	11890	11450	11470	11640
Montedison	1383	1354	1374	1361
Olivetti	1047	1027	1027	1032
Parmalat	2395	2315	2350	2330
Pirelli	4390	4200	4285	4290
RAS	14795	14400	14400	14530
Rolo Banca	22800	22100	22100	22250
S Paolo Torino	13000	12350	12845	12270
Telecom Italia	10795	10520	10610	10700
TIM	6370	6210	6280	6285

Montreal
Industrials index: 3277.86 Previous: 3250.26

	High	Low	Close	Prev.
Bce Mob Com	45	44.40	44.40	44½
Cdn Tire A	29.15	29	29	28
Cdn Util A	39.70	39.30	39.70	39.60
CT Finl Svc	46.75	46.35	46.25	46.75
Gaz Metro	18.70	18.35	18.65	18⅝
Gt-West Lifeco	32.80	32½	32.60	32½
Imasco	45.20	44.40	45.10	44⅞
Investors Grp	41.60	41.60	41.60	41½
Loblaw Cos	20¼	20.30	20¼	20½
Natl Bk Canada	20.05	19.85	20	19.80
Power Corp	42	41.85	42	41½
Power Finl	41.60	41¼	41.30	41.30
Quebecor B	30.10	29.40	30.10	29
Rogers Comm B	9.45	9.35	9.45	9.45
Royal Bk Cda	76¼	75¼	75.65	75.45

Oslo
OBX Index: 695.54 Previous: 699.98

	High	Low	Close	Prev.
Aker A	130.50	129	129	130
Bergesen Dy A	209	204	204	208
Christiania Bk	28	27.50	28	27.60
Den norske Bk	32	31.50	31.70	31.50
Elkem	110.50	106.50	106.50	109
Hafslund A	43	42.50	43.50	42
Kvaerner Asa	364	360	360.50	362
Norsk Hydro	397	385.50	385.50	395
Norske Skog A	227	221.50	221.50	220
Nycomed A	184	181.50	184	181.50
Orkla Asa A	653	643	643	653
Petm GeoSvc	487	477	481	476
Saga Petm A	143	137	137	140
Schibsted	133	131	131	131
Transocean Off	390	390	390	370
Storebrand Asa	53	51	52	51.50

Paris
CAC-40: 2739.30 Previous: 2739.47

	High	Low	Close	Prev.
Accor	1096	1050	1074	1070
AGF	303.90	300.60	303.50	302.10
Air Liquide	904	880	895	869
Alcatel Alsth	712	690	696	700
Axa-UAP	398.20	390	395	390.10
Bancaire	745	717	740	719
BIC	397.50	386.10	394.60	385
BNP	265	251	255	260.80
Canal Plus	1059	996	1004	1010
Carrefour	3180	3010	3010	3100
Casino	323.50	311	320	315
CCF	335	322.50	326.80	329.30
Cetelem	644	634	640	637
Christian Dior	646	630	640	640
CLF-Dexia Fran	586	566	579	565
Credit Agricole	1311	1311	1311	1311
Danone	895	875	882	889
Elf-Aquitaine	719	696	714	715
Eridania BS	869	830	830	850
Eurodisney	7.85	7.50	7.60	7.75
Eurotunnel	5.80	5.60	5.65	5.70
France Telecom	219.40	211.30	218.30	209.70
Gen. Eaux	679	664	673	658
Havas	383.40	373.10	380	379.90
Imetal	632	600	620	601
Lafarge	374	359	360.40	370
Legrand	1110	1061	1074	1104
L'Oreal	2149	2009	2044	2079
LVMH	1019	980	980	985
Michelin B	302	292.60	295.90	297.70
Paribas A	423.80	415.60	418.90	415.90
Pernod Ricard	275.90	267.10	267.30	274.10
Peugeot Cit	663	637	653	652
Pinault-Print	2729	2583	2638	2670
Promodes	1910	1860	1878	1861
Renault	164.90	160.10	160.50	165.50
Rexel	1585	1513	1530	1549
Rh-Poulenc A	254.50	239.40	251.50	240.10
Sanofi	558	540	548	534
Schneider	315	304	308	308.50
SEB	675	651	659	679
SGS Thomson	425	390	410.50	411
Ste Generale	803	783	790	789
Sodexho	2888	2820	2877	2888
St Gobain	838	806	828	826
Suez (Cie)	N.T.	N.T.	N.T.	15
Suez Lyon Eaux	615	595	599	605
Synthelabo	683	662	679	658
Thomson CSF	156.80	151	156.80	154.30
Total B	648	634	640	635
Usinor	95.50	92.50	95.50	95.50
Valeo	403	379.20	384.70	395.70

Due to technical problems, the São Paolo stock table was unavailable. We apologize for any inconvenience.

Seoul
Composite index: 470.79 Previous: 485.80

	High	Low	Close	Prev.
Dacom	48900	45600	45700	49500
Daewoo Heavy	5700	5400	5600	5800
Hyundai Eng.	14400	13800	14300	14300
Kia Motors	7430	7430	7430	8000
Korea El Pwr	13900	13700	13700	14800
Korea Exch Bk	4650	4360	4440	4500
LG Semicon	16800	15900	15900	17200
Pohang Iron St	44800	41300	42300	44800
Samsung Display	31500	29000	29500	31500
Samsung Elec	40000	36800	37900	40000
Shinhan Bank	7400	7060	7400	7150
SK Telecom	302500	278500	298000	302500

Singapore
Straits Times: 1586.07 Previous: 1541.39

	High	Low	Close	Prev.
Asia Pac Brew	4.58	4.42	4.48	4.58
Cerebos Pac	4.10	3.90	4.02	4
City Devts	6.90	6.45	6.60	6.75
Cycle Carriage	7.05	6.40	6.90	6.60
Dairy Farm Int*	0.82	0.79	0.79	0.82
DBS foreign	15.20	12.50	14.70	13.30
DBS Land	2.71	2.61	2.68	2.73
Fraser & Neave	8	7.30	7.90	7.55
HK Land*	2.28	2.13	2.28	2.28
Jard Matheson*	6.45	6	6.40	6.25
Jard Strategic*	3.22	3.14	3.20	3.18
Keppel A	5	4.54	4.98	4.64
Keppel Bank	2.58	2.44	2.57	2.45
Keppel Fels	4.24	4	4.24	4.16
Keppel Land	2.21	2.09	2.20	2.21
OCBC foreign	8.90	8.35	8.75	8.70
OS Union Bk F	5.35	5	5.25	5.15
Parkway Hdgs	4.10	3.86	3.98	4
Sembawang	4.90	4.58	4.84	4.64
Sing Air foreign	11.90	10.60	11.80	10.90
Sing Land	4.70	3.96	4.48	4.06
Sing Press F	22.70	20.50	21.70	21.80
Sing Tech Ind	2.18	2	2.16	2.05
Sing Telecomm	2.52	2.29	2.50	2.44
Tat Lee Bank	2.32	2.25	2.32	2.27
Utd Industrial	0.74	0.68	0.73	0.69
Utd OSea Bk F	8.80	8.20	8.70	8.55
Wing Tai Hdgs	2.03	1.90	2	1.97

*: in U.S. dollars.

Stockholm
SX 16 index: 3133.56 Previous: 3123.60

	High	Low	Close	Prev.
AGA B	97	95	95.50	94.50
ABB A	89.50	86.50	87.50	86.50
AssiDoman	215	210	210	215
Astra A	122	120	121	120.50
Atlas Copco A	227	220	220	224
Autoliv	302	298	300.50	297
Electrolux B	624	615	620	614
Ericsson B	336.50	330	330	328
Hennes B	308	304	306.50	305
Incentive A	660	653	656	655
Investor B	359.50	348	349	355
MoDo B	212	203	203	206
Nordbanken	238	225	235	236
Pharm/Upjohn	240	237	238.50	234.50
Sandvik B	234	225	228	227
Scania B	191.50	184.50	184.50	192
SCA B	171	164.50	168	164.50
S-E Banken A	81	80	81	80
Skandia Fors	362	350	350	348
Skanska B	295	288	289	293
SKF B	178	173	174	178
Sparbanken A	173	169	170	171
Stora A	106	102	103.50	103.50
Sv Handels A	238	235	237	236
Volvo B	197.50	195	196	197

Sydney
All Ordinaries: 2464.80 Previous: 2436.10

	High	Low	Close	Prev.
Amcor	6.71	6.50	6.71	6.66
ANZ Bkg	9.96	9.56	9.92	9.80
BHP	14.15	13.71	14.10	14.06
Boral	3.76	3.56	3.74	3.76
Brambles Ind.	27.50	25.90	27.34	26.42
CBA	16.42	15.76	16.35	16.07
CC Amatil	10.91	10.65	10.70	10.97
Coles Myer	6.89	6.60	6.84	6.87
Comalco	5.90	5.70	5.82	5.70
CSR	4.94	4.64	4.94	4.81
Fosters Brew	2.70	2.56	2.70	2.66
Goodman Fld	2.19	2.13	2.18	2.20
ICI Australia	10.80	10.59	10.70	11
Lend Lease	29.25	28.10	29.12	29
MIM Hdgs	1.25	1.20	1.25	1.28
Nat Aust Bank	19.70	19.30	19.45	19.70
Nat Mutual Hdg	2.49	2.29	2.45	2.31
News Corp	6.86	6.51	6.81	6.60
Pacific Dunlop	3.09	3.02	3.04	3.08
Pioneer Intl	3.76	3.60	3.76	3.48
Pub Broadcast	8.40	7.98	8.25	8.05
Rio Tinto	17.40	16.89	17.30	17.28
St George Bank	8.68	8.02	8.61	8.18
WMC	5.05	4.90	5.05	5.05
Westpac Bkng	8.30	7.94	8.28	8.04
Woodside Pet	12.01	11.43	12.01	11.60
Woolworths	4.65	4.48	4.59	4.58

Tokyo
Nikkei 225: 16458.94 Previous: 16344.94

	High	Low	Close	Prev.
Ajinomoto	1110	1040	1090	1050
All Nippon Air	600	590	600	600
Amway	3240	3160	3160	3250
Asahi Bank	628	599	624	603
Asahi Chem	551	515	548	535
Asahi Glass	825	792	810	814
Bk Tokyo Mitsu	1620	1480	1570	1520
Bk Yokohama	500	482	499	501
Bridgestone	2610	2550	2600	2620
Canon	2930	2860	2920	3000
Chubu Elec	2050	2020	2040	2040
Chugoku Elec	1970	1950	1960	1960
Dai Nipp Print	2440	2270	2400	2320
Daiei	580	539	556	550
Dai-Ichi Kang	1040	991	1020	1000
Daiwa Bank	459	422	448	426
Daiwa House	1190	1140	1160	1160
Daiwa Sec	729	699	728	718
DDI	4090a	3980a	4020a	4170a
Denso	2660	2600	2608	2680
East Japan Ry	5850a	5770a	5850a	5820a
Eisai	1910	1850	1890	1880
Fanuc	4890	4730	4860	4800
Fuji Bank	1060	999	1040	1030
Fuji Photo	4430	4210	4360	4420
Fujitsu	1340	1310	1320	1340
Hachijuni Bk	1190	1150	1190	1150
Hitachi	925	897	925	945
Honda Motor	4090	3980	4050	4040
IBJ	1210	1150	1190	1190
IHI	279	267	273	277
Itochu	420	404	413	420
Ito-Yokado	6080	5950	5980	6070
JAL	436	410	436	410
Japan Tobacco	9900a	9510a	9870a	9500a
Jusco	2710	2620	2690	2690
Kajima	560	533	539	559
Kansai Elec	2170	2110	2130	2120
Kao	1700	1640	1680	1670
Kawasaki Hvy	294	270	280	306
Kawa Steel	215	207	211	211
Kinki Nipp Ry	689	673	683	676
Kirin Brewery	1050	1000	1010	1010
Kobe Steel	147	132	145	136
Komatsu	675	631	643	660
Kubota	470	456	468	444
Kyocera	6970	6770	6890	6910
Kyushu Elec	2000	1960	2000	1980
LTCB	417	388	407	406
Marubeni	379	355	376	367
Marui	2050	1960	2030	1980
Matsu Comm	4250	4060	4250	4210
Matsu Elec Ind	2040	1980	2020	2040
Matsu Elec Wk	1100	1070	1090	1100
Mitsubishi	1050	991	1030	1010
Mitsubishi Ch	272	259	271	265
Mitsubishi El	413	395	401	403
Mitsubishi Est	1550	1470	1520	1510
Mitsubishi Hvy	592	568	591	620
Mitsubishi Mat	528	518	528	541
Mitsubishi Tr	1500	1430	1480	1480
Mitsui	925	897	913	938
Mitsui Fudosn	1360	1310	1360	1360
Mitsui Trust	418	393	418	411
Murata Mfg	4890	4840	4840	4900
NEC	1350	1320	1320	1360
Nikko Sec	1410	1310	1340	1370
Nikon	440	425	435	445
Nintendo	10500	10200	10400	10800
Nipp Express	654	626	648	646
Nippon Oil	498	490	493	490
Nippon Steel	252	246	248	253
Nissan Motor	641	605	641	614
NKK	170	160	167	167
Nomura Sec	1410	1380	1400	1430
NTT	1040b	999b	1020b	1030b
NTT Data	5750b	5510b	5750b	5690b
Oji Paper	615	589	610	590
Osaka Gas	270	263	266	272
Ricoh	1580	1510	1550	1550
Rohm	11500	11500	11500	12000
Sakura Bk	519	472	491	481
Sankyo	4040	3940	3970	3980
Sanwa Bank	1240	1170	1210	1190
Sanyo Elec	410	386	400	399
Secom	7830	7740	7780	7970
Seibu Rwy	4910	4740	4910	4870
Sekisui Chem	947	932	947	938
Sekisui House	1030	1000	1030	1010
Seven-Eleven	9000	8750	9000	8900
Sharp	935	900	935	930
Shikoku El Pwr	1970	1930	1960	1990
Shimizu	550	520	549	537
Shin-etsu Ch	2940	2850	2940	2900
Shiseido	1670	1630	1640	1670
Shizuoka Bk	1240	1200	1220	1210
Softbank	3870	3600	3870	3700
Sony	10100	9660	9990	9900
Sumitomo	875	826	860	883
Sumitomo Bk	1310	1240	1280	1270
Sumit Chem	435	412	429	417
Sumitomo Elec	1610	1570	1590	1610
Sumit Metal	248	237	241	251
Sumit Trust	920	874	917	936
Taisho Pharm	3150	3070	3080	3170
Takeda Chem	3320	3260	3280	3330
TDK	10100	9650	9980	9900
Tohoku El Pwr	1990	1940	1960	1970
Tokai Bank	721	700	702	720
Tokio Marine	1220	1180	1200	1230
Tokyo El Pwr	2320	2270	2300	2290
Tokyo Electron	6110	5920	6000	6250
Tokyo Gas	283	276	276	283
Tokyu Corp.	510	496	500	495
Tonen	909	862	895	873
Toppan Print	1530	1460	1510	1470
Toray Ind	684	665	670	677
Toshiba	560	545	545	565
Tostem	1710	1670	1670	1730
Toyo Trust	904	830	899	871
Toyota Motor	3390	3300	3350	3440
Yamanouchi	2970	2890	2940	2920

a: x 100; b: x 1,000

Toronto
TSE Industrials: 6831.55 Previous: 6782.68

	High	Low	Close	Prev.
Abitibi Cons.	20½	19.95	20.10	20.05
Alberta Energy	32¼	32.30	32.40	32.60
Alcan Alum	41	39.90	40.10	40
Anderson Expl	15¼	15.35	15½	15.45
Bk Montreal	61	60.30	60.90	60.10
Bk Nova Scotia	64¼	61.80	61.90	63½
Barrick Gold	29.05	28.40	29	29.40
BCE	39.90	38.85	39.20	38.90
BC Telecomm	37.40	37	37.20	36¼
Biochem Pharm	35.45	34.50	35.25	33.75
Bombardier B	27.30	26.80	27	26¾
Cameco	53¾	52.30	52.30	53¼
CIBC	41.20	40½	40.80	40.45
Cdn Natl Rail	76	74.80	76	75.85
Cdn Nat Res	41.10	40	40¾	40½
Cdn Occid Pet	36.95	36	36.20	36.30
Cdn Pacific	41¼	40.70	41.70	40¾
Cominco	27.40	26.80	27.35	26.95
Dofasco	25¼	25.20	25.40	25.30
Domtar	11	10.90	11	10.95
Donohue A	28.70	28.40	28½	28½
Du Pont Cda A	34¾	34	34¾	34½
EdperBrascan	25	24	25	23.80
EuroNev Mng	21.90	21	21.40	22
Fairfax Finl	349	343	347	343
Falconbridge	21.35	20½	20.85	21.35
Fletcher Chall A	21½	21	21	21
Franco Nevada	33	32.05	32.70	33
Gulf Cda Res	11.95	11½	11.60	11.80
Imperial Oil	88	86.80	88	87.10
Inco	29.30	27½	28.95	28.60
IPL Energy	53.10	52¼	52.90	52.65
Laidlaw B	19.95	19.35	19.45	19.70
Loewen Group	35.15	34.10	34½	34.40
Macmill Bldl	17.95	17.40	17¼	17½
Magna Intl A	94½	92.65	93¼	93
Methanex	12.45	12.30	12.45	12.40
Moore	23¼	22.35	22.90	22.40
Newbridge Net	76¼	72½	76	70.85
Noranda Inc	24.40	23.70	23.90	24.20
Norcen Energy	32	31.65	31¾	32.10
Nthern Telecom	127	123¼	125.60	123.80
Nova	12¾	12.55	12.65	12.40
Onex	36¼	35¾	36	35¾
Pancan Petlm	23	22.65	22¾	22.80
Petro Cda	29.10	28¼	29	27.35
Placer Dome	21.90	21.20	21.80	22.45
Poco Petlm	14	13.55	13.95	13.60
Potash Sask	116.70	113.90	115.35	115¼
Renaissance	32¼	32.40	32.70	32¼
Rio Algom	26¼	26.30	26¼	26¼
Rogers Cantel B	23¾	23¼	23½	23¼
Seagram Co	47.70	47	47¼	47.10
Shell Cda A	28¾	27.40	28.60	27.35
Suncor	51.95	50¼	51	50.80
Talisman Eny	51	49¾	50.65	50
Teck B	24¼	23¾	24¼	23¾
Teleglobe	46½	46	46.40	45¼
Telus	28.65	27.95	28.10	27.60
Thomson	34¼	33¼	34.15	33.80
TorDom Bank	51.60	50.85	51.55	50.80
Transalta	19.35	19	19.30	19
TransCda Pipe	26.40	26.15	26¼	26
Trimark Finl	71.40	70½	70.70	69.80
Trizec Hahn	36.20	35¼	35.30	34.90
TVX Gold	6.10	5.90	6	6¼
Westcoast Eny	29.15	28.90	29	29.05
Weston	101	99½	100.45	99.05

Vienna
ATX index: 1307.02 Previous: 1268.10

	High	Low	Close	Prev.
Boehler-Uddeh	894.50	860	870	853
Creditanst Pfd	686	670	686	676
EA-Generali	2930	2890	2895	2844.35
EVN	1429	1320.50	1408	1295.05
Flughafen Wien	505	495	501	490.10
OMV	1740	1707	1725	1692.90
Oest Elektriz	973	950	969	950
VA Stahl	530	502	525	493
VA Tech	2175	2085	2153	2053
Wienerberg Bau	2442.60	2390	2427.50	2363.70

Wellington
NZSE-40 index: 2355.82 Previous: 2337.38

	High	Low	Close	Prev.
Air NZeald B	3.45	3.35	3.40	3.40
Brierly Invt	1.24	1.20	1.24	1.21
Carter Holt	2.85	2.77	2.80	2.85
Fletch Ch Bldg	4.85	4.70	4.85	4.80
Fletch Ch Eny	7.20	7.12	7.20	7.20
Fletch Ch Forst	1.56	1.52	1.55	1.52
Fletch Ch Paper	2.67	2.50	2.64	2.50
Lion Nathan	3.92	3.85	3.88	3.91
Telecom NZ	7.80	7.60	7.78	7.64
Wilson Horton	11	11	11	11

Zurich
SPI index: 3474.77 Previous: 3418.43

	High	Low	Close	Prev.
ABB B	1825	1742	1825	1740
Adecco B	500	441	445	493
Alusuisse R	1262	1230	1255	1236
Ares-Serono B	2650	2450	2650	2450
[illegible] R	865	840	850	825
Baer Hdg B	2090	2035	2090	2030
Baloise Hdg R	2549	2440	2503	2450
BK Vision	1160	1135	1160	1130
Ciba Spec Chem	139.50	137	137.50	138.75
Clariant R	1099	1070	1077	1070
Crd Suisse Gp R	199.50	191.25	197.25	194.50
Elektrowatt B	537	525	537	537
Ems-Chemie	6905	6845	6895	6840
ESEC Hdg	3973	3900	3950	3861
Holderbank B	1149	1110	1127	1149
Liechtenst LB B	537	537	537	533
Nestle R	1980	1925	1973	1955
Novartis R	2202	2133	2193	2153
Oerlikon Buehr R	181	173	179	176
Pargesa Hld B	1790	1690	1790	1700
PharmVisn B	834	820	825	820
Richemont A	1700	1595	1700	1590
Pirelli PC	310	302.50	303	308
Roche Hdg PC	12500	12010	12305	12090
SBC R	379	362.50	376.50	361
Schindler PC	1578	1530	1545	1550
SGS B	2780	2655	2700	2650
SMH B	790	769	781	770
Sulzer R	1024	990	1024	975
Swiss Reins R	2109	2033	2109	2063
SAir Group R	1877	1835	1877	1840
UBS B	1619	1574	1612	1566
Winterthur R	1420	1390	1427	1420
Zurich Assur R	586	568	578	578

The Trib Index

Prices as of 3:00 P.M. New York time

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	164.31	+1.13	+0.69	+10.17
Regional Indexes				
Asia/Pacific	100.34	+0.38	+0.38	-18.71
Europe	184.74	+1.86	+1.02	+14.60
N. America	199.63	+0.56	+0.28	+23.30
S. America	136.13	+1.95	+1.45	+18.96
Industrial Indexes				
Capital goods	208.10	+1.32	+0.64	+20.58
Consumer goods	192.67	+0.42	+0.22	+19.35
Energy	195.13	+0.32	+0.16	+14.30
Finance	116.99	+1.16	+1.00	+0.46
Miscellaneous	182.33	+2.21	+1.38	-0.34
Raw Materials	168.67	+2.66	+1.60	-3.83
Service	159.91	+1.56	+0.99	+16.45
Utilities	157.84	+2.02	+1.30	+10.02

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

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Sakchai Lalit/The Associated Press

A Thai taxi driver reading about the baht's fall Friday.

Thai Investors' Dream Is Shattered

'I Dare Not Buy; I'm Afraid It Will Go Down Tomorrow'

By Seth Mydans
New York Times Service

BANGKOK — "I'm afraid," the young investor said, staring at her brightly colored computer monitor on a small stock-trading floor. "I dare not buy. I'm afraid it will go down more tomorrow."

She was hesitating, like so many investors here and abroad this week, as stock markets around the world heaved and quaked in the latest reaction to an Asian economic crisis that began this summer in Thailand.

The investor, who would allow only her given name, Sukanya, to be used, has reason to be afraid. Like many Thai entrepreneurs, she entered the stock market during its recent boom years and now has lost big.

"My boyfriend told me I could use his money to buy anything, any stock," she said this week. "I started with 45 million baht ($1.2 million) three years ago. Now it's worth 4 million."

At a nearby monitor, Chansin Vongreeramit, a retired finance-company executive, was bolder. While Sukanya waited for her chosen stock, Siam City Bank PLC, to drop another tenth of a point, Mr. Chansin bought.

Half an hour later, the stock inched upward. He had earned $103 — a modest amount that made him the day's big winner here at the headquarters of Thai Farmers Bank Public Co.

Burdened by the country's economic problems, the Stock Exchange of Thailand seemed impervious this week to any rebound in New York and around Asia.

Small outlets around Bangkok, rather than a central trading floor, generally handle individual trades. Like Sukanya, most people here did not trade at all Monday. They chatted over coffee and crullers, read newspapers and dozed in their seats as the room's big trading board flashed its depressing numbers.

Since the baht's effective devaluation in July, its value has tumbled about 40 percent. The stock market, already weakening over recent months, tumbled too, with the main index falling from about 1,200 points when Sukanya began investing her boyfriend's money to 447.21 on Friday. As the close of one recent session approached, the trading floors began to empty out. Some investors lingered only to sell their remaining holdings.

"I realize it's better to quit," said a man who declined to give his name. "You know why? I cannot afford to lose any longer. Nobody gains. Nobody gains, believe me."

It is a feeling that is shared by many people in Thailand today, looking back across the past decade of heady growth with sudden astonishment as if waking from a pleasant dream.

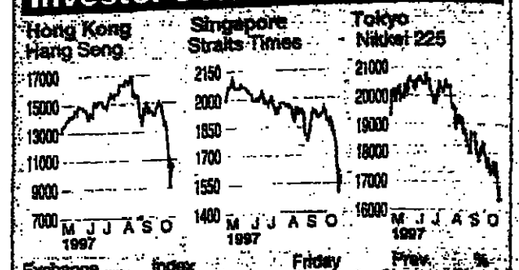
Thailand was the darling of foreign investors, and until market forces and currency-exchange rates turned against the country, huge amounts of money rolled in. Now the squeeze is on. The International Monetary Fund has promised a $17 billion credit line in return for fiscal austerity programs. Under the conditions that come with the IMF's package, Thailand must reform its banking industry and run a budget surplus next year.

Prices are rising, companies are closing, and hundreds of thousands of people are beginning to lose their jobs.

Meanwhile, Prime Minister Chaovalit Yongchaiyut said after a sweeping cabinet reshuffle last week that elections would be held early next year. But rather than bolstering confidence, analysts said the shuffle and the prospect of intense electioneering had intensified uncertainties dogging the economy.

Fifty-eight finance companies that overextended themselves in loans, particularly for property, have been forced to close. One of these is General Finance & Securities Co., where Sukanya used to do her trading. Now its trading floor is dark and padlocked, with only a special lounge for regular investors remaining open.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,623.78	10,362.69	+2.52
Singapore	Straits Times	1,596.97	1,541.39	+3.60
Sydney	All Ordinaries	2,464.80	2,436.10	+1.18
Tokyo	Nikkei 225	15,458.94	16,994.98	-9.03
Kuala Lumpur	Composite	654.69	662.45	-1.17
Bangkok	SET	447.21	445.00	+0.50
Seoul	Composite Index	478.79	485.69	-1.42
Taipei	Stock Market Index	Closed	7,319.97	--
Manila	PSE	1,818.99	1,819.75	-0.04
Jakarta	Composite Index	599.42	602.37	-0.49
Wellington	NZSE-40	2,955.83	2,937.83	+0.61
Bombay	Sensitive Index	Closed	3,934.93	--

Source: Telekurs International Herald Tribune

Very briefly:

- **Kia Motor Corp.**'s assets were frozen by a Seoul court, clearing the way for court receivership that has been sought by the company's creditors. The banks said they would provide bailout loans only if receivership was accepted.
- **Nikon Corp.**'s parent-company pretax profit slumped 42 percent, to 6.1 billion yen ($50.8 million), in the first half ended Sept. 30 on sluggish demand and rising competition.
- **Japan's** unemployment rate stood at 3.4 percent for the third consecutive month in September, a shade below the record of 3.5 percent set this summer.
- **The Group of 15** developing nations asked the World Trade Organization to study the impact of currency fluctuations on trade but stopped short of endorsing a call by Malaysia for rules on foreign-exchange trading, delegates said.
- **Sharp Corp.** said it would continue to aggressively invest in the liquid crystal display business, saying it expected global demand to recover and grow at an annual rate of 20 percent to 25 percent in the medium term. *AFP, AP, Bloomberg, Reuters*

Baht Falls as Data Raise New Fears of Recession

Compiled by Our Staff From Dispatches

BANGKOK — Thailand's battered currency plunged past the level of 40 to the U.S. dollar Friday, while data released by the central bank indicated that the country could be entering a recession.

Bad news for the once-booming Thai economy came in waves, and a top Thai economist said the government had to assure investors that foreign debt could be paid or things would get worse.

At the close of Asian trading, the U.S. dollar was quoted at a record high of 41.10 baht, up from 39.25 baht Thursday. Since the baht was floated after speculative attacks in July, the currency has depreciated about 40 percent.

"If it falls further, it will simply be disastrous," said Chalongphob Sussangkarn, president of Thailand Development Research Institute, a private institution.

Other Southeast Asian currencies were mixed, with Indonesia's rupiah rising strongly on news of a $20 billion IMF bailout for the country. But the Singapore dollar fell on worries that the island state's contribution to the Indonesia bailout would leave it overextended.

In Thailand, the central bank said foreign reserves rose to $30.7 billion as of Oct. 15 from $29.6 billion at the end of September, replenished somewhat by part of a $17.2 billion line of credit arranged by the International Monetary Fund.

But other indicators showed that Thailand — which had growth of more than 8 percent in 1995 — was entering a recession. Manufacturing activity shrank 5.1 percent in August, the first contraction in six years. The trade deficit rose from 22 billion baht ($560.5 million) in July to 22.9 billion baht in August, surprising economists, who had expected it to fall.

"The overall economic condition indicated a slowdown in business activity and does not show signs of bottoming out yet," Kleothong Hetrakul, Bank of Thailand's chief economist, said.

The central bank expects gross domestic product to grow only 1 percent this year, the lowest annual growth rate in decades.

"We think there will be a very sharp contraction in the domestic economy," said George Morgan at ABN-AMRO Hoare Govett. *(AP, Bloomberg, Reuters)*

A Wild Week Ends Well

Hong Kong Stocks Bolstered by Positive News

Compiled by Our Staff From Dispatches

HONG KONG — Financial markets here ended a turbulent week on a positive note Friday as stocks charged ahead, a top official said he expected interest rates to come down and the territory was told its credit was still good.

The benchmark Hang Seng Index finished up 2.5 percent Friday, at 10,623.78 points, and China-linked stocks put on a powerful rally. But the index is still down 4.7 percent for the week.

Investors took heart from comments by Joseph Yam, chief executive of the Hong Kong Monetary Authority, who said he expected interest rates to fall as pressure on the Hong Kong dollar eased.

"I am of the view that the high interest rates will drop very soon, especially for short-term interbank rates such as the overnight rate, which has fallen to about 5 percent," he said.

Last week, the rate that banks charge each other for loans was lifted to as much as 300 percent to deter currency speculators.

Standard & Poor's gave the territory's morale a lift.

Standard & Poor's Corp. also gave the territory's morale a lift by affirming its ratings on Hong Kong's ability to repay its debts.

The move came a day after Moody's Investors Service Inc. cut its outlook for Hong Kong banks, citing rising interest rates and the likelihood of falling property prices.

Mr. Yam said the monetary authority, which acts as a central bank, had spent some of its $88.1 billion of reserves buying Hong Kong dollars when the currency came under attack Tuesday and Wednesday.

He would not say how much had been spent, but he said the authority was a net buyer of U.S. dollars on the week.

"By Thursday we were buying back U.S. dollars as speculators had to settle their accounts," Mr. Yam said.

He reiterated his determination to fight off speculative attacks on the currency.

"I have all along felt that there would be speculative activities, and the recent rout was quite a serious one," Mr. Yam said. "But during the 10 days there was no crisis concerning the Hong Kong dollar."

Authorities criticized foreign brokerages for issuing negative reports about local stock markets, particularly a report from Barton Biggs, a strategist for Morgan Stanley & Co. that suggested investors sell their Hong Kong holdings.

Philip Wong, a member of the Beijing-appointed legislative council, accused Morgan Stanley and other brokerages of "manipulating" Asian markets. But he was swatted down by his own government, which said there was no evidence to back his claims.

"If we later learn that anyone has manipulated the market, there will be sanctions, including criminal sanctions," Rafael Hui, Hong Kong's secretary for financial services, said.

In Friday's stock market action, the largest rises were seen in the shares of mainland Chinese companies. Restructuring plans in key industries and lower interest rates on the mainland helped attracted investors to such companies, traders said.

Although the economies of southern China and Hong Kong are intertwined, companies operating on the mainland have not been subject to the territory's soaring interest rates.

China Merchants Holdings International Co. rose 18 percent to close at 11.20 Hong Kong dollars ($1.45), while China Resources Enterprise Ltd. gained 12 percent to 21.20. The Hang Seng China-Affiliated Corporations Index, which tracks mainland-backed investment companies, or so-called red chips, rose 10 percent, to 2,199.50.

The vote of confidence by Standard & Poor's helped bolster utility stocks, as they have the least exposure to interest rates among Hong Kong's biggest companies.

Hong Kong Telecommunications Ltd. rose 7 percent to 14.80, while China Light & Power Co. gained 6 percent to 40.70.

Property stocks such as Cheung Kong Holdings Ltd. and Sun Hung Kai Properties Ltd. were mixed amid lingering concerns that higher interest rates would push up borrowing costs and deter home-buying.

"There's no way we're going to see a Thailand," said Roy Ramos, an analyst at Goldman Sachs (Asia) LLC. "But it's not a pleasant picture. You will have higher interest rates and no rising prices in the property market." *(Reuters, Bloomberg)*

China Venture Seeks Partner After Peugeot Exit

Reuters

BEIJING — The Chinese side of an ailing car venture with France's PSA Peugeot Citroen SA will choose a new partner from among Japan's Honda Motor Co., Germany's Opel AG and South Korea's Hyundai Motor Co., state media and officials said Friday.

Honda and Opel, a unit of General Motors Corp., were the most likely candidates to take over Peugeot's role in Guangzhou Peugeot Automobile Co., the China Economic Herald reported.

A Chinese official with Guangzhou Peugeot confirmed that the company would choose from among the three, but he declined to give further details.

More than 10 foreign carmakers have expressed an interest in the venture.

The Chinese partner, Guangzhou Auto, was expected to choose a new foreign partner for the plant by the end of this year, the newspaper quoted a Guangzhou Peugeot official as saying. Peugeot held 30 percent of the venture.

Tokyo-Mitsubishi Names President

Bloomberg News

TOKYO — Bank of Tokyo-Mitsubishi Ltd. on Friday named as its next president Satoru Kishi, who orchestrated Mitsubishi Bank's 1996 merger with Bank of Tokyo, creating the world's largest bank in terms of assets.

Mr. Kishi, 67, whose appointment becomes effective Jan. 1, will take the helm of a bank that had 77 trillion yen ($638 billion) in assets at the end of March.

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- Central Asia: The 'Great Game' in the 21st Century
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- China and India: Energy Outlook vs. Investment Strategy
- The Future of Oil: Commoditization or Managed Supply?
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THE MONEY REPORT

SATURDAY-SUNDAY, NOVEMBER 1-2, 1997
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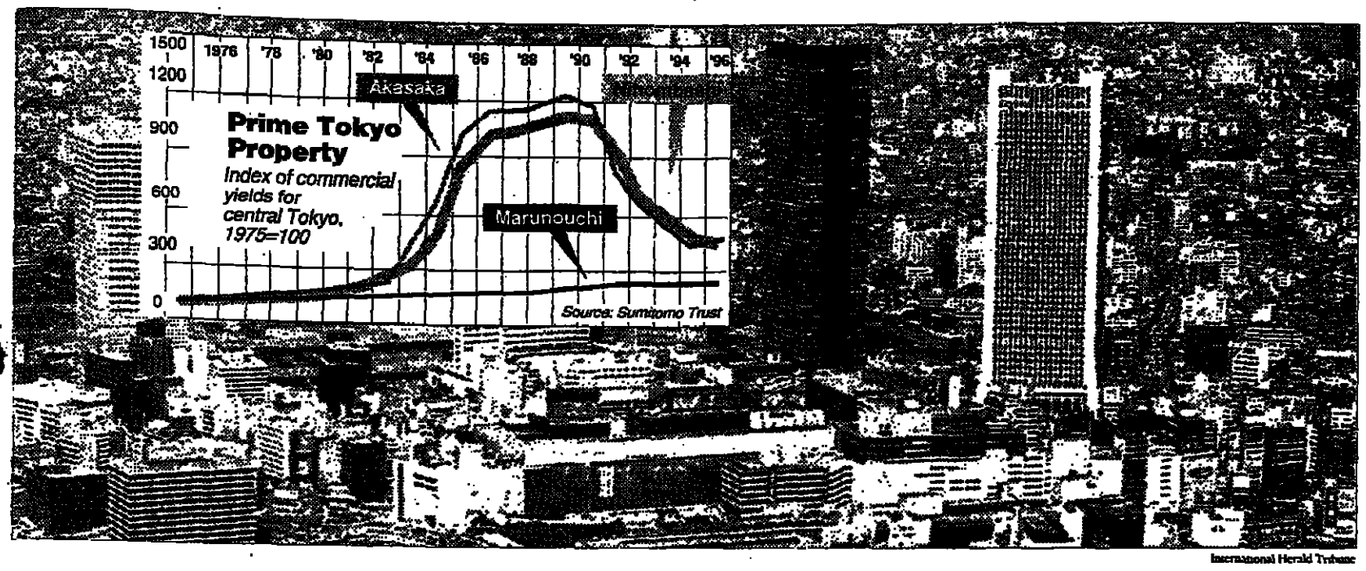
MONDAY: SPORTS



International Herald Tribune

After the Fall, a Changed Landscape in Japan

Low Prices and Disappearing Bond Yields Create Opportunities for Real Estate Investors

By Miki Tanikawa

INVESTORS MAY BE unhappy with ever-sagging yields on Japanese government bonds, whose 10-year maturity returns a paltry 1.82 percent these days. But that miserly return offers an opportunity for international real estate investors, and there are reports that mutual-fund-like vehicles to take advantage of them will be available soon.

For now, however, investors who want to play have to be lucky enough to know Osamu Yamazaki, president of the property consultancy Japan Access Management Ltd. in Tokyo.

Mr. Yamazaki manages a private fund for overseas investors, mostly personal friends, who like his strategy: He raises funds in yen at rock-bottom rates, currently about 0.8 percent for the best borrowers, and invests in top-grade Japanese properties, which have rental yields that average 7 percent. Investors who can post U.S.-dollar denominated bonds as collateral for the loans can earn double-digit returns, Mr. Yamazaki said.

"From a macroeconomic point of view, it is a very rare phenomenon," he said of the widening gulf between the cost of funding and the investment yields on the properties. "The gap has never become so wide."

Aside from the low borrowing rates, international property investors find it an opportune moment to buy Tokyo properties.

As an illustration of where Japanese real estate stands in the global property investment sphere, Yoshihiro Hashimoto, real estate analyst at Yamaichi Research Institute, sees Japan as being in its "dawn" hours, after a long period of "sleep." He situates U.S. real estate at about 2 P.M., Hong Kong at 3 P.M. and Indonesia late in the evening.

Japanese investors, especially big-time buyers, have been reluctant to borrow money for property purchases, in part because of lingering social sensitivity toward bank-arranged real estate loans, which have caused acrimony in recent years. But James See, president of Vision Capital, an asset management company in Singapore, said he would be surprised if Japanese investors remained on the sidelines for long.

"I think that by the middle of next year, it is quite likely to see a situaion where Japanese people go for a yen-based loan from a foreign bank, and invest it in properties," he said. "It simply does not make sense not to do so."

Japanese law limits leases to two years, so rental income cannot be guaranteed. Savvy investors target the best properties in order to minimize the risk of plunging yields. Mr. Yamazaki said that only about 15 percent of Tokyo properties offered a solid prospect for income revenue and capital appreciation.

While Mr. Yamazaki's fund is private, hunting down promising Japanese properties and creating vehicles like American real estate investment trusts is on the agenda of many Western financial institutions.

Yutaka Kumada, deputy general manger in the real estate investment advisory division at Sumitomo Trust & Banking Co., said his firm was acquiring properties on behalf of several major Western investment houses, each envisioning a wholesale-targeted fund that manages about 100 billion yen ($833 million) worth of property investments. These funds could be up and running sometime this year, he said.

Yasuo Kawakami, representative director at Richard Ellis K.K., said his firm had processed property deals for a European financial insitution that set up a privately placed real estate fund. He said that the deal reflected growing foreign interest in Japanese real estate.

"Almost all foreign financial institutions with an operation in Japan are watching Japanese real estate," he said.

A manager at a major real estate agent said that about 20 groups of institutional investors, each with about 100 billion yen, were looking to invest in Japanese real estate.

The Japanese are putting their feelers out, too. Mr. Hashimoto of Yamaichi Research Institute said most big Japanese securities firms were studying ways to create property investment vehicles that could be sold to individuals.

Many observers forecast the emergence of a full-fledged real estate market that vies with stocks and bonds for investors' cash.

"There has been no such thing as property investment market in Japan," said Shinji Yoshimura, senior managing director of Mitsui Fudosan Investment Advisors Inc.

Convinced that there is one in the making, Mitsui Fudosan, a Japanese real estate behemoth, established the property investment advisory company on Oct. 1. It hopes to serve investors in the areas of investment advice, research, property acquisition and maintenaance and, eventually, real estate fund management.

Such a line of business is one that many big real estate companies are rushing to get into, said Yutaka Kumada, deputy general mananger in the real estate department at Sumitomo Trust & Banking Co. The trust bank recently started a division that serves as a real estate investment consultancy.

It has also devised, jointly with its research subsidiary, a real estate price index that comparatively gauges investment yields on properties at prime Tokyo locations over the past 21 years.

Sanyu K.K., a property appraisal company, has established a subsidiary, Japan Servicer Corp., to manage properites and mortgages for institutional investors, especially those from abroad.

Yoshiaki Inoue, president of Sanyu K.K., said demand for independent property maintenance services had been ballooning since Western financial institutions, such as Goldman Sachs & Co., recently acquired hundreds of millions of dollars of asset-backed loans at bargain prices from Japanese banks intent on lightening their balance sheets.

PARADOXICALLY, it was the bursting of the Japanese financial bubble of the 1980s that widened the appeal of real estate investing. Investors now value properties based on the cash flow they can generate rather than on the prospect for further price appreciation. This puts Japanese real estate on the same footing as property in some other countries and allows the sector to be compared to securities markets.

The market is not without a skeptic, however. Mr. Inoue of Sanyu K.K. warned that foreign interest in Japanese real estate was somewhat excessive and he registered anxiety that some of the investors may get burned.

To make real estate in Japan a true investor's market, a plethora of issues that must be sorted out by the government and the private sector.

Investors and analysts said there was a dearth of comprehensive data, either from the government or a private company, on real estate transactions.

Burdensome taxes and regulations on Japanese real estate also cause investors to shy away. Companies making capital gains on property transactions incur levies ranging from 5 to 15 percent, in addition to hefty corporate taxes, and individuals are taxed from 20 to 52

Continued on Page 17

What Goes Back Up Can Come Back Down

Dow's Recovery No Guarantee of Stability

JAMES GLASSMAN *ON INVESTING*

NOTHING IN life is so exhilarating," wrote the 24-year-old Winston Churchill, recounting his army days in India, "as to be shot at without result." That is the way many investors felt this week, relieved and self-congratulatory after surviving Monday's 554-point drop in the Dow Jones industrial average.

But do not be too cocky. I am not urging you to sell your stocks, but there is no place right now for complacency, let alone exhilaration.

The main reason to worry was laid out with remarkable prescience by one of my favorite money managers, David Dreman, author of "The New Contrarian Investment Strategy," in a recent column in Forbes magazine.

Headlined "Get ready for a rough ride," it began: "This is one overvalued market! The rise in the past few years is steeper than the run-ups prior to both the crashes, 1929 and 1987. Among the signs of a top is the large number of 'experts' who not only rationalize the rise but predict its continuation."

The current issue of Grant's Interest Rate Observer (also published before the Oct. 27 debacle) describes a "certain gentleman" (call him Mr. X) who has managed money very successfully "since Dwight D. Eisenhower was in the White House and blue-chip stocks yielded more than the long-dated Treasury bond."

Now, writes editor James Grant, "this great stock picker is turning bearish. It is a 40-year first."

The reason is simple. Mr. X said he looked "at companies on the basis of what we think they're worth in relation to where they're selling. And I cannot find things today that seem to satisfy." So he suggests clients put new money "in Treasury bills or similar short-term instruments. And we've never done that before."

Of course, Mr. X could be wrong. But he has a very good point: There is not much out there worth buying — even at post-debacle prices.

At an conference sponsored by Grant's last month, Leon Cooperman, the ace manager of Omega Advisors, cited several scary statistics to show how high the market is.

For example, on Oct. 7, 1997, when Mr. Cooperman made the calculations, the stocks that compose the Dow Jones industrials were trading at 23 times their earnings per share. The median price-to-earnings ratio since 1924 is just 15, and the usual range (80 percent of the time) for P/E ratios over that period is between 9 and 24.

If the Dow were to return to the median, it would come to rest at 5,430, nearly 2,000 points below its close on Thursday, which was nearly 1,000 points below the high for the year.

The news is even worse for other valuations. Consider the price-to-book ratio, which tells how many dollars an investor is paying for a dollar of a company's assets as they are valued on its balance sheet.

The P/B when Mr. Cooperman did his calculations was 4.5; the median over the past 73 years is 1.6; the usual range is 1.0 to 2.6. Similarly, the price-to-dividend ratio on Oct. 7 was 63; the median since 1924 is 24; the typical range, 16 to 33.

Now, for believers in the New Paradigm, there are explanations for these anomalies. For instance, as Michael Milken said recently, book value is almost meaningless for high-technology companies, whose true assets reside in the brains of their employees and in processes and patents.

Not only are prices high relative to earnings these days, but a P/E ratio also has a denominator, and, there is reason to worry about the prospects for corporate profits, at least in the short term. The wave of overinvestment that has swept the world, especially Asia, has created a glut of goods and services, which inevitably means falling prices, a condition exacerbated by currency devaluations.

In the short run, low prices are great for consumers, and they push interest rates down (a reason to buy bonds now). But, by "exporting deflation" (in the words of the economist John Makin, of the American Enterprise Institute), Asian producers may force down the high profit levels — and stock prices — of U.S. companies.

On the other hand, these pressures could spur American companies to greater gains in productivity — making things at lower cost — which would counteract the effects of deflation and keep the economy strong.

Do investors need to make guesses about the economy? No.

"The conventional method" of buying stocks, writes Philip A. Fisher in "Common Stocks and Uncommon Profits," his classic 1958 book, "is just as silly as it appears on the surface to be sensible. This method is to marshal a vast amount of economic data. From these data, conclusions are reached as to the near- and medium-term course of general business."

The problem is that, "in the current state of human knowledge about the economics which deal with forecasting business trends, it is impossible to apply this method in practice." It remains impossible 39 years later.

So, Mr. Fisher has this conclusion: "Take investment action when matters you know about a specific company appear to warrant such action."

While there are few screaming bargains in the stock market, you can still find some decent values. Smith Barney Inc., for example, recently recommended seven stocks that "fit the theme of growth at a reasonable price."

They are American Stores, Inc., a food and drug retailer; Automatic Data Processing Inc., payrolls; Coastal Corp., an energy company; Equitable Cos., insurance and investment management; Lexmark International Group Inc., computer printers; Noble Drilling Corp., oil contractor, and Textron Inc., the conglomerate.

Washington Post Service

Market-Opening Moves Have Yet to Bear Fruit

SINCE PRIME Minister Ryutaro Hashimoto outlined his government's blueprint for market deregulation nearly a year ago, the financial industry has faced a brutal shakeout and the effects have been felt more strongly each day.

Yet some of the official efforts to put Japan's markets on par with those in New York and London in terms of openness and competitiveness have not yet proved to be fruitful.

With fanfare, the Tokyo Stock Exchange and its counterpart in Osaka each listed single-stock options in July for 20 blue-chip brands, including Toyota Motor Corp., Sony Corp. and Bank of Tokyo-Mitsubishi, only to find the market participants, both brokerage houses and investors, inadequately prepared to play the new game.

Volume hit its high on the first day of trading at the Tokyo Stock Exchange, July 18, at 4,989 transactions. It has since zigzagged down the path to reach an average daily volume of less than 100, for the 10 days through Thursday.

"There have not been enough market-making efforts on the part of brokerage firms," said Hiroshi Masuda, market analyst at Yamaichi Research Institute in Tokyo. "Business performance of brokerage firms has been poor recently, so they are not in a position to take much risk."

He added that the latest scandals involving the top securities houses also explained the brokers' reluctance to assume counter-party positions in option trading. Nikko Securities, Daiwa Securities, and Yamaichi Securities, three of the Big Four firms whose top executives have been recently arrested in connection with the widening payoff scandal, await punishment to be meted out by the Ministry of Finance, which may include orders to suspend proprietary trading.

While the two Japanese exchanges are expected to list new issues for options trading in November (10 in Tokyo, 20 in Osaka), analysts said that it would probably not be worth the investment for brokerage houses to expand coverage of individual stock options.

Despite the dismal state of the options market, Mr. Masuda said that single options were potentially useful for investors. He added that market turmoil, like the turbulence that jolted the world this week, may cause investors to acknowledge the virtue of using options to hedge against declines in individual stock prices.

Another Big Bang development led the Japan Securities Dealers Association, which has government-mandated regulatory functions, to make trading in unlisted stocks legal business of securities companies in July.

Only eight small brokerage firms have since registered with the association as dealers, however, and the association said that it does not see an immediate, booming potential for the market.

"At a time when the market is down," said Mitsuru Yoshikawa, director of legal and tax research at Daiwa Institute of Research, "it is difficult to find people who are interested in these small-cap stocks."

Investors hoping for favorable changes in Japan's institutional framework will have to wait until brokerage commissions are liberalized in 1999 or when the securities transaction tax is scrapped or considerably reduced. Commissions are currently fixed at 1.15 percent of the purchase price, for trade of less than 1 million yen ($8,330). Above that, the rates differ according to the amount of trade.

When companies are allowed to set commissions freely, Mr. Yoshikawa added, the rate could come down considerably, not just for large-lot orders but also for relatively small investments. Contrary to the trend that followed deregulation on commissions in the United States, where individual brokers' pay is often commensurate with their sales performance, Japanese sales workers are salaried, thus it is likely that transaction fees will fall even for small-lot orders, Mr. Yoshikawa said.

The Liberal Democratic Party, the dominant party in the coalition government, has recently unveiled an economic stimulus package in which it pledged to "strive" toward removing the transaction tax, which is currently at 0.21 percent of the transaction value and is levied on every Japanese trade. Observers said it was unlikely that the taxation would remain in its current form, and that abolition or significant reduction could come as early as April.

"It must be abolished," said Mr. Yoshikawa of Daiwa Institute of Research. "It is odd that tax is imposed on the transactions regardless of whether you made money or not."

— MIKI TANIKAWA

Q & A / **Marc Faber**

The 'Gloom' Manager Who Can Say, 'I Told You So'

THE steep decline of world markets in the past week has raised the specter that, globally, stock may be overpriced. Ann Brocklehurst and Peter Green spoke with Marc Faber, a Hong Kong-based investment adviser and editor of The Gloom, Boom & Doom Report, who specializes in buying low into pre-emerging markets and selling before popularity drives markets down. He says investors have long ignored signs that the recent market was overpriced.

Q. What is doom, boom and gloom investing?

A. We are interested in buying assets, and these can be equities or real estate or art or bonds, at distressed prices when the majority of market participants are not in the market, when volumes are low, when these assets are unpopular. And we like to sell when an asset class becomes popular and recognized by the majority. We believe there is always a regression to the long-term trend. [When] prices overshoot they may still overshoot even more, but the risks increase significantly, whereas when they undershoot, usually there isn't a huge price risk, there's a risk of time — that is, they stay undervalued for an extended period of time until they recover, but you don't have a huge price risk.

Q. How do you recognize a market that's ripe for buying?

A. Generally, in emerging markets you have low valuations when no foreign brokers are participating, when there are no country funds, when the political social and economic conditions are disastrous. We went to many people about Russia in 1993-94 and told them, look, the stocks are unbelievably undervalued. Surgut Neftgaz was privatized at $80 million market capitalization. This is one of the biggest oil companies in the world. But people didn't want to buy. They said Yeltsin will die, Zhirinovsky will come to power, and so forth. I always argue, "Yes this can all happen, but how much lower will these shares go?"

Q. When should you sell?

A. In general, I would say whenever the public becomes enamored and enthusiastic about an investment theme — the real mania of the last few years has been equities, when suddenly people think they will always go up the way they believed that real estate would always go up and the way they believed in 1979 that gold would always go up. But you have to realize that equities can occasionally have very strong performances for 10 or 15 years but then occasionally they don't perform for 20 years, as was the case in Germany from 1962 to 86, or in Japan since 1989, when the market today is still down 50 percent from its height.

Marc Faber

Q. Everyone wants to buy low and sell high...

A. Everyone wants to buy low and sell high, but it's interesting that the world of investments is now dominated by the sort of momentum that the majority actually buys when prices are high and sells when they become depressed.

Q. So this past month's worth of turmoil was caused by an earlier stampede into an already overvalued market?

A. We've seen that very clearly in Asia. Since January 1994, we were warning that the fundamentals of Asia were deteriorating, as was evident by the rising trade and current account deficits of various countries, by tightening liquidity in Asia, by Asia becoming less competitive, especially following NAFTA in the U.S., and following the devaluation of China in 1994, when suddenly the Chinese exporters began to squeeze out other exporters in Asia.

Q. Why the stampede in?

A. I think what frequently produces some of these excesses in optimism is that whenever an event happens, the investment community looks at it only from the positive side. They never consider that the changes bring about positive aspects as well as negative aspects.

If a company is extremely successful, usually it occurs at the cost of some other companies. So if one country is very successful it occurs at the cost of some other country.

Q. So you're saying essentially that all stockbrokers are liars?

A. I'm not saying that they are liars intentionally. Some in Asia have been liars probably out of self-interest. Some have been simply ignorant. This is the first bear market many have seen, and each time the market went down, they said it's a buying opportunity. This is the characteristic of a major bear market, that the hopes are alive. And I'm afraid that in Western Europe and the U.S., this is going to happen the same way, because even after the recent decline in the United States the mood is still very optimistic.

Q. Asians and Westerners often have different philosophic approaches to life. Could that make this crash, which started in Asia, fundamentally different from the 1987 crash, which started in America?

A. Definitely. When I visit American institutions, even the bulls won't condemn someone who's bearish by saying he doesn't understand anything. They at least consider his views. They may be long a market, but they accept they could be wrong and that there are factors that could bring a decline in the market. In Asia if you were negative, especially in 1994 to '96, you were a heretic.

Q. How about other emerging markets?

A. The cycle of Eastern Europe got under way much later than Asia, and my feeling is that the Eastern Europe markets don't have the same downside risk as the Asians because they never got to the overvaluation as the Asian markets did in 1994. If you look at a market like Romania, you'll find that the market has moved up, but it's not an overheated market. I rather think that Russia may have overshot and that Russia will have a very significant correction. But five to 10 years out, I think there will be opportunities in Russia.

Continued on Page 17

NASDAQ

Friday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Friday's 4 P.M. Close

(Continued)

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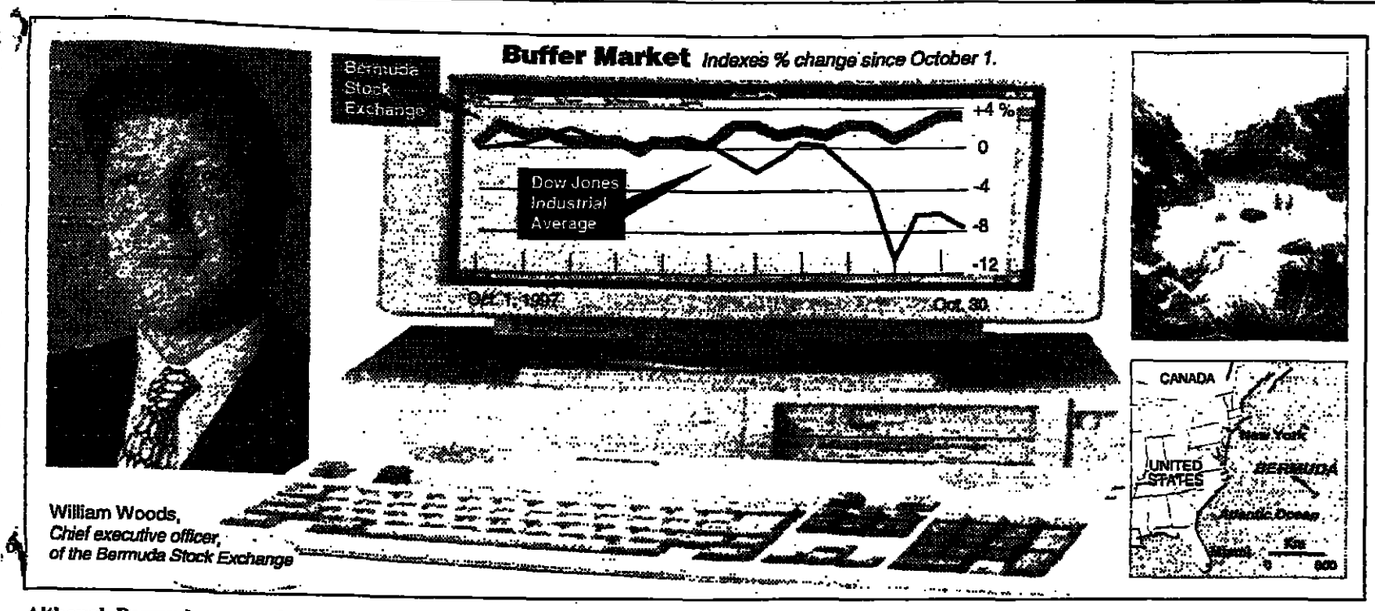
THE MONEY REPORT



Although Bermuda may no longer be as cheap as it once was, for investors it remains a stable alternative to many of the world's bigger stock markets.

As Goes the World, So Does Not Go Bermuda

By Aline Sullivan

INVESTORS SEEKING a safe haven in a turbulent world could consider the isolated islands of Bermuda. In an increasingly global market dominated by Wall Street, Bermuda stands apart. Indeed, Bermuda Stock Exchange officials say their market is the bourse least linked to that of the United States.

The Bermuda exchange's index slid only 19 points, or 1.4 percent, on Monday, while the Dow Jones industrial average plunged more than 7 percent and Asian markets sank even lower. On Thursday, the index ended at 1,347.65., up 12.54 points for a week in which most of the world's markets were wrenched. It was, by contranst, "pretty normal for us," a spokeswoman for the Bermuda exchange said.

Professional investors have flocked to Bermuda for years, making it the world's leading offshore center for finance and business. But retail investors largely ignored the independently governed British territory until this summer, when two U.S. stock market analysts on vacation noticed how undervalued its banks and utilities appeared, relative to their American and European counterparts. Since then, share values have jumped as much as 50 percent.

Bermuda may no longer be cheap, but it remains a stable alternative to the bigger stock markets.

"People are interested now because Bermuda goes the opposite way of the world," said William Woods, chief executive officer of the Bermuda Stock Exchange. "There is still a lot of upside in this market."

Jeff Conyers, chief executive officer of First Bermuda Securities, agreed.

"The two big banks, The Bank of Bermuda Ltd. and The Bank of N.T. Butterfield Ltd., are excellent institutions but are trading at about half the [price to earnings] ratios of banks in the U.S.," he said.

He also favors Bermuda Telephone Co. and TeleBermuda International Ltd. The latter is hardly a surprising choice: Mr. Conyers is vice chairman of the company as well as vice chairman of the Bermuda exchange, reflecting the trend among island executives of wearing several hats.

Overlooking Bermuda in the past was certainly understandable.

"Bermuda doesn't fit easily into any investment category," said David Masters, senior fund analyst at Micropal in Boston. "It isn't really in North America or Europe and it certainly isn't one of the emerging markets of the Caribbean, so it is difficult for many fund managers to track."

It will gain a higher profile among retail investors in December, when it plans to launch its Scripts fund.

The open-end fund, which will require a minimum investment of $500 and will carry an up-front sales fee of 1 percent, will be the first fund to track the Bermuda Stock Exchange's index.

Exchange officials expect the fund to be worth $1 million at the outset and grow shortly thereafter to $10 million. There will be no restrictions on purchases by overseas investors.

First Bermuda runs the $500,000 Bermuda Rock Fund, which is 40 percent available to non-Bermudians but is owned only by about 100 locals. Investors on the island expect the fund to be merged with Scripts.

In the interim, the Bermuda exchange, which claims to be the world's first fully electronic offshore securities market, is rapidly expanding. There are now more than 180 equities, funds, debt issues and depository receipt programs listed on the 26-year-old exchange, with a total market capitalization of $37 billion, excluding mutual funds.

But the market remains largely restricted to local investors; 60 percent of all companies listed in the islands must be owned by Bermudians. Not surprisingly, most of the stocks are illiquid.

Graham Lobb, a dealer at The Bank of N.T. Butterfield, pointed out that the currency exchange laws, although greatly eased two years ago, can complicate large investment orders from overseas. There are, however, an increasing number of U.S. dollar-denominated stocks available to foreign investors. The Bermudian dollar is pegged to the U.S. dollar and trades almost at par.

For investors seeking to increase their risk rather than minimize it by owning a market that does not follow Wall Street, the exchange has a mechanism for buying into new companies early in their lives. After a shaky start, the exchange is poised to welcome several new members to its Mezzanine Market for high-tech companies and other start-ups. An Asian power-generating consortium will be the first of several companies with interests in China to be listed on the exchange in the next few months, exchange officials said.

A listing on the market allows investors access to a company before its full initial public offering.

The market, which was officially started in April, has so far been a disappointment. The BSX canceled the listing of its first and only Mezzanine member, the technology firm NimsTec Ltd., on Oct. 2, citing its failure to comply with the exchange's disclosure requirements. Trading had not yet begun.

The Mezzanine Market requires a minimum investment of at least $100,000 in each company. According to exchange officials, the high entry level limits the market to sophisticated investors and allows the companies to develop their businesses without worrying about share price fluctuations.

For further information:

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- BERMUDA COMMERCIAL BANK. 1 441 295 5678. Brian Rosary, senior dealer.
- FIRST BERMUDA SECURITIES. Telephone, 1 441 295 1330. Jeff Conyers, chief executive officer

Fidelity's 'Fair Value' Has Clients Crying Foul

Fine Print Invoked for Hong Kong Fund

By Edward Wyatt

WHEN THE American stock market rallied on Tuesday, a day after its worst decline in a decade, roughly $20 million flowed into the Fidelity Hong Kong and China fund from investors who expected stock prices in Hong Kong to surge when trading resumed there.

The rush of cash was huge for a fund that had only $157 million in assets a day earlier. And the quick-draw investors who sensed opportunity might have made a handsome profit of about 18 percent.

Fidelity Investments foiled the strategy, however. Relying on a policy it uses infrequently, it priced the securities in the Hong Kong fund — and in many of its other international funds — based not on their closing prices overseas but rather on what it considered their fair value at the end of trading in the United States.

The effect was to make buyers pay more for shares in the fund and to create a fund that appeared less volatile than it would have otherwise. In the process, Fidelity rankled a number of customers and brought to light just how much discretion fund companies have in pricing certain foreign securities.

Early Tuesday, while most of America slept, Hong Kong's market fell 14 percent, partly in reaction to the previous day's stock slump in New York. The Tuesday afternoon rally in U.S. stock prices convinced a number of mutual fund investors that a rebound was in order in Asia.

Among them was Robyn Greene, 50, a retired lawyer who lives in the Florida panhandle. She invested $25,000 in Fidelity's Hong Kong and China fund on Tuesday. Ms. Greene expected to buy the shares in the Hong Kong fund at a low price on Tuesday and sell the next day at a sharply higher value after the Hong Kong stock market turned up, making a profit that would easily surpass the 1.5 percent fee that Fidelity assesses investors who make quick trades in and out of the fund.

But Ms. Greene was shocked to learn that on Tuesday, the day the Hang Seng index fell 14 percent, the value of the Fidelity Hong Kong fund actually rose 2 cents a share, to $10.88. On Wednesday, it rose more, to $11.10, giving her, after the 1.5 percent fee, a negligible profit.

The fund's value rose on Tuesday because Fidelity relied on a codicil in the fund's sales documents allowing it to value the fund's holdings at what it calls 'fair value,' which assigns prices to securities in its funds based on their value at 4 P.M. Eastern U.S. time each day.

At that time on Tuesday, after the rally in the American market, Fidelity judged that the Hong Kong shares were worth far more than their closing price in Hong Kong, 13 hours earlier. In part, that valuation is based on the market prices of some of the securities in the fund and Fidelity's estimate of the value of some of the others.

Fidelity is not the only fund company to use such a pricing policy.

T. Rowe Price also reserves the right to price foreign fund shares based on subsequent market activity in the United States. And, in fact, T. Rowe exercised that right for the first time on Monday, pricing shares of its Japan fund based on Tuesday's opening prices in Tokyo rather than on their closing prices on Monday.

Fidelity invokes the policy "a number of times each year," said David B. Jones, a Fidelity Investments vice president who oversees valuation policy for the company. He said Fidelity Investments, a unit of FMR Corp., also revalued securities traded in a handful of European markets on Tuesday.

But some longtime watchers of the fund industry nevertheless expressed surprise at the decision.

"They certainly have the right," said Eric Kobren, executive editor of Fidelity Insight, a newsletter that tracks the fund company. "But they may want to consider educating investors better on this policy."

What bothers Henry Frankel, 63, a retired IBM engineer who lives in central New Jersey and who tried to make a one-day trade, is that by using the 'fair value' pricing, Fidelity's fund does not represent the Hong Kong market, he said. "I have no inkling of what it does represent," he said.

Mr. Jones said the prices represented what an investor would expect to pay if he tried to buy all the stocks in the fund at 4 P.M. Eastern time.

"If you had gone to your broker in New York at 4 P.M. on Tuesday and said could I buy some Hong Kong stocks now, he'd say, 'Sure, but don't expect to pay the Hong Kong price,' " he said.

Fidelity said that the 'fair value' pricing also protects the fund's long-term shareholders by keeping speculators from buying at an artificially low price created by extreme market volatility.

The New York Times.

BRIEFCASE

Bondholders Have Worries on B.A.T.

When B.A.T. Industries PLC of Britain announced recently that it was merging its insurance businesses with those of the Zurich Group of Switzerland, helping B.A.T.'s shareholders was a major goal. Because of B.A.T's extensive cigarette interests, company executives thought, its insurance operations have been given short shrift by the stock market.

Although some industry analysts said the deal was unnecessarily complex and strategically fuzzy, B.A.T. shares jumped 10 percent when it was announced.

But what about B.A.T.'s bondholders? B.A.T. has $8.6 billion in gross debt, of which $6.5 billion is publicly traded. Bondholders often say they are treated as second-class citizens in spin-offs.

As it turns out, B.A.T. bondholders do have a few reasons to worry. But, in a move that may reflect different management perspectives in Europe and the United States, B.A.T. has said it would buy back its existing debt in light of the spin-off, which will probably mollify many creditors.

Under B.A.T.'s plan, all of its debt will be assigned to its tobacco operations, to be spun off as a separate, public company called British American Tobacco, said Evelyn Heinbach, a corporate ratings analyst at Standard & Poor's Corp. The size of the debt may arch some eyebrows, even given that B.A.T. sells $25.6 billion of tobacco products each year.

Indeed, last Monday, Standard & Poor's downgraded its debt ratings on B.A.T. by two notches, from an A-plus rating to A-minus. Moody's Investors Service is considering a possible downgrade, too, though it first must finish a review it started in July, when B.A.T. announced a plan to acquire Mexico's leading cigarette maker, Cigarerra La Moderna, for $1.7 billion.

That planned acquisition worsens the debt problem. Although Suzette R. Friedman, an analyst at Fitch Investors Service, says the Mexican deal will ultimately benefit B.A.T.'s operational diversity, Ms. Heinbach says it will also increase B.A.T.'s net debt by about 25 percent.

Although the credit agencies' actions led to small price declines for some B.A.T. bonds, analysts at S.&P. and Moody's say B.A.T's public debt still has strong investment-grade status, and that the debt doesn't affect B.A.T.'s growth prospects. But they have other concerns.

Ms. Heinbach worries that the tobacco spin-off will be a one-product company — and no diversification means risk to a bondholder. In contrast, the creditors of one of B.A.T.'s major competitors, Philip Morris Cos., can rely on both the company's food business and its tobacco business.

Cash flow is another worry. Even though British American Tobacco will be asked to carry all of B.A.T.'s debt, the loss of the insurance business will halve its cash flow. Ms. Heinbach said.

And after all, this is tobacco. B.A.T. owns the third-largest American tobacco company, Brown & Williamson, with about 21 percent of B.A.T.'s total earnings coming from tobacco products sold in America.

If Congress decides to uphold the recent tobacco agreement — which would cost the industry $368 billion over 25 years — analysts say B.A.T.'s up-front payment alone will be about $1.7 billion. *(NYT)*

Investing Plays For EMU Believers

Suppose they gave a currency union and somebody came. Investors who believe that the European Union will go ahead with its single-currency plans can position themselves by looking at those companies and industries that would benefit either because they have properly prepared themselves or because their industries would do especially well in the new environment.

At U.S. Trust Corp., Rosemary Sagar, head of the global investment division, said winning companies would be those that are well-focused and are already leaders in their fields. In an enlarged market, the big will get bigger, and low-cost manufacturers and service providers will thrive, she said.

Specific picks include AXA-UAP, a French-based financial services company; Wolters Kluwer NV, a Dutch legal and medical publishing company, and Ahrend Groep NV, a low-cost maker of office supplies and furniture.

The benefits of monetary union can extend to companies outside the 15-country trading bloc. Ms. Sagar also likes Lindt & Sprungli AG of Switzerland, whose European chocolate operations she expects to benefit from economies of scale.

Investors who want a manager to pick monetary-union plays could look to Credit Agricole Indosuez's Euro-Special Equities Fund. The offshore vehicle will invest in pan-European stocks, mostly blue chips, that are planning their business strategies to be ready for the monetary union and the integrated economy that logically would follow.

Because the fund is still accumulating assets, it could not provide specific holdings, but based on current conditions it is especially bullish on five sectors: retail, health care, business services, energy and electronics.

Retailers are expected to benefit from an enlarged market as well as from the potential of Eastern Europe. They also are seen increasing their efficiency with new computer programs and logistics, and as technology use increases in Europe, its electronics and telecommunications companies also are likely to grow.

Health care is seen benefiting from the aging of the population and demands from less-developed regions of the world, whose economic growth also creates demand for energy.

Meanwhile, as European companies try to boost productivity to compete with other regions, business-service companies should benefit from outsourcing. *(IHT)*

EURO-SPECIAL EQUITIES FUND has a load of up to 5.5 percent and a minimum initial investment of 10,000 European currency units ($11,300). It is not open to American investors. For more information, contact Credit Agricole Indosuez Luxembourg at 352 47 67 34 92 (telephone) or 352 47 67 34 92 (fax).

Surprise Analysts, Delight Investors

Strong sales growth and positive earnings-estimate revisions are more important factors than valuation and profitability in determining a global investment strategy, Smith Barney analysts reported in a recent study.

The analysts evaluated the performances of 49 industries and 22 markets over 10 years ending in June. They found that investors would be wise to look for inexpensive markets with positive momentum, and invest in fast-growing industries for which analysts frequently upgrade their earnings estimates. Return on equity, earnings-to-price ratio, and book-to-price ratio are less reliable factors, the study states.

Based on this data, Smith Barney produced a list of the top industry picks in six large markets. In the United States, the entertainment industry proved most likely to outperform; in Japan, the tobacco industry; in Britain, insurance; in Germany, computers; in France, alcoholic beverages, and in Italy, construction materials.

No single industry made a strong showing in every market, although manufacturing made the list in the United Sates and Japan, and telecommunications was No. 5 in Italy and Germany. *(IHT)*

Changes in Japan

Continued from Page 15

percent. The tax rate depends in part on how long a property is held.

Land-value tax and fixed-asset tax, at 0.15 percent and 1.4 percent, respectively, are burdens for prospective land owners.

Analysts and property dealers predicted the planned Big Bang deregulation of the Japanese securities markets would create pressure to reform the real estate sector. The Liberal Democratic Party, the dominant party in the current coalition government, recently announced an economic stimulus package that includes a plan to slash the capital-gains tax on property sales and possibly scrap land value tax.

Takashi Ishizawa, senior economist at LTCB Reseach Institute, said that in the next three years Japan was likely to have a full-blown property investment market for institutional investors, which would, by the fifth year, turn into one encompassing retail investors.

The 'Gloom' Manager

Continued from Page 15

I think other emerging markets haven't even come out, like the Central Asian market, and a number of African markets. Also, Bulgaria would appear to me to be attractive at this stage, and maybe Ukraine. I think that in the next six months we may start to nibble on some distressed Asian stocks.

Q. Would you buy them now?

A. I'm a deflationist. I believe the world is moving into deflation, and as a result, I kind of prefer bonds to equities at the present time, including bonds of emerging economies.

Q. What would you buy?

A. Eventually I want to buy Chinese stocks, but I want to own Chinese stocks that will survive and do well for the next 20 years. I'm not convinced the present batch of red chips in Hong Kong will all survive and do well. I'm not planning to make a big investment right now, but I would rather buy stocks in Shanghai than in Hong Kong. The property issues in Hong Kong are still a disaster waiting to happen.

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SPORTS

WORLD ROUNDUP

NBA Bodyguards To Shadow Barkley

BASKETBALL Charles Barkley will not retire following his latest barroom brawl, but the NBA put new rules in place on Friday for the Houston Rockets' star forward.

"The league put new guidelines in my life," Barkley said after a meeting with NBA officials. "I have to bring security guards with me every time I go out. It's unfortunate."

Barkley said he threw a man through a window during a barroom confrontation in Orlando, Florida, last weekend after the man threw a drink on him.

Before the meeting Friday, Barkley said he might retire if the NBA punished him or made him promise not to retaliate against abusive fans.

He then met for 90 minutes with the NBA's deputy commissioner, Russ Granik, and the league's vice president for security, Horace Balmer.

"The league was very supportive of me," Barkley said afterward. "They understand where I am coming from. But when I get arrested, it's embarrassing for me and for the league." *(AP)*

Sampras Downs Muster To Gain Paris Semifinal

TENNIS Top-ranked Pete Sampras survived a shoulder problem to beat Thomas Muster, 6-1, 4-6, 6-2 in the quarterfinal of the Paris Open on Friday.

After winning the first set in 20 minutes and looking as if he had the match well in hand, Sampras called to the trainer after the fifth game of the second set to have his upper right arm and shoulder treated.

Sampras takes on Yevgeni Kafelnikov next. Kafelnikov entered the semifinals for the second consecutive year by beating Greg Rusedski, 6-4, 3-6, 6-3. Jonas Bjorkman of Sweden had an easier time getting to the semifinals when Richard Krajicek had to quit in the middle of their quarterfinal because of a knee injury. *(AP)*

Tyson OK After Accident, But $77 Lighter in Wallet

BOXING Mike Tyson did not have a motorcycle license when he overturned his new Honda on an interstate highway ramp, state police in Hartford, Connecticut, said after imposing a $77 fine.

The former heavyweight champion broke a rib and punctured his right lung in the accident Wednesday.

Tests were to be performed Friday at Hartford Hospital to see if Tyson's lung had resealed. The boxer is expected to make a full recovery

Dr. Ira Trocki, Tyson's personal plastic surgeon and physician, said the injury should not damage Tyson's boxing skills. The 31-year-old fighter is banned from the sport, but can apply for reinstatement in July. *(AP)*

Count on 49ers to Undo Cowboys

By Thomas George
New York Times Service

Dallas (4-4) at San Francisco (7-1) Already, fans think of these teams as the last of two old dinosaurs, the last of the dominant teams of the '90s. Each wants to show that it is far from done. When these teams battle — and they have over the years in six National Football Conference championship games — sparks fly. The 49ers have feasted on the weak NFC West but that does not lessen the achievements of receivers J.J. Stokes and Terrell Owens, who have been remarkable in the absence of injured Jerry Rice.

The team that wins the turnover battle has won all eight of these matchups in the '90s, including playoffs. That does not bode well for Dallas — it trails San Francisco by 12 in turnover differential. *Prediction: 49ers, 24-13.*

New England (5-3) at Minnesota (6-2) The Patriots have hit a snag and have dropped three of their last four games, unable to score enough points despite big plays and unable to make enough big plays to prevent scores. That is a worrisome combination. Now they travel to the noisy Metrodome to play a hot team with a hot offense. The Vikings' quarterback Brad Johnson has thrown 11 touchdown passes and only four interceptions in his last five home games. The field position punt returner David Palmer provides will be critical. Watch the Patriots' reaction when they drop their third straight. *Vikings, 19-16.*

Miami (5-3) at Buffalo (4-4) Both teams enter this contest having lost overtime games at home, Miami to the Bears and Buffalo to the Broncos. The Miami loss was particularly disheartening to the Dolphins and to their fans because it looked as if this team was ready to soar. Losing to the previously victory-less Bears rocked this team's confidence and showed it has plenty of work to do. Miami brings out the best in Buffalo but the Bills' best may not be enough to prevent turnovers. Miami is plus five in that category; Buffalo is a shocking minus 15. If that holds up, it is Miami in a breeze. *Dolphins, 20-17.*

Oakland (3-5) at Carolina (4-4) Napoleon Kaufman, the Raiders' speedy running back, is a game breaker, and Jeff George is throwing the ball with zip to his bushel of talented receivers. The Raiders' defense, however, has sagged terribly. Carolina is thrilled at the return of running back Tshimanga Biakabutuka (104 rushing yards, two touchdowns vs. Atlanta last week) and his matchup vs. Kaufman should be interesting. *Raiders, 24-21.*

Jacksonville (5-3) at Tennessee (4-4) The Jaguars are thinking of what might have been after a numbing, tough 23-17 overtime loss at Pittsburgh. The Oilers are buoyant after winning three straight, the last a 41-14 whipping of Arizona. This game will turn on the rushing of Oilers' back Eddie George and quarterback Steve McNair. *Oilers, 17-16.*

Baltimore (4-4) at New York Jets (5-3) The Jets are fresh from a bye week and the Ravens are excited after winning the Battle of the Beltway, 20-17, over Washington. The Ravens offense will give the Jets plenty to ponder, especially with the mobility and passing arm of Vinny Testaverde. The Jets win this game if Adrian Murrell produces in the ground game. And he will. *Jets, 27-20.*

Tampa Bay (5-3) at Indianapolis (0-8) The Colts continue to reel and no relief is in sight. They stand alone now as the only NFL team without a victory this season. The Colts meet a team hungry to get back on track after three straight losses and must find a way to contain back Warrick Dunn, who leads all rookies with 720 yards from scrimmage. *Buccaneers, 26-10.*

Washington (4-4) at Chicago (1-7) What a relief! Bears win! On the road, no less, at Miami, and now try to topple the Redskins in what used to be a glamorous matchup. Both teams have sagged in recent years, but the Redskins are closer to revisiting past glory. *Redskins, 28-17.*

San Diego (4-4) at Cincinnati (1-7) San Diego is the most ignored 4-4 team among the group of eight such teams. This game not only turns the corner on the season's second half for the Chargers but could also be the indicator for what the second half of their season holds. The Chargers must kick the underachieving Bengals while they are down. Tight end Freddie Jones with a 13.6 average yards per catch is a playmaker worth scrutinizing. The more he gets the ball, the better for San Diego. *Chargers, 26-24.*

St. Louis (2-6) at Atlanta (1-7) This could be ugly. Both teams have a difficult time consistently moving the football and sometimes have an even harder time holding on to it. Atlanta leads the league with 35 sacks and made only 36 all of last season. That is a wonderful improvement, but that's about it for the Falcons. Expect a struggle. Expect a St. Louis victory. *Rams, 10-6.*

Seattle (5-3) at Denver (7-1) The Seahawks gained a mind-boggling 554 yards vs. the Raiders and scored 45 points. Warren Moon was the catalyst, and with seven completions he will pass Fran Tarkenton's 3,686 for third place on the all-time list. Seattle has taken a while to mesh but this is a dangerous club. Problem is, Denver is more dangerous at home. Terrell Davis is sensational. His running keeps the Broncos safely ahead in the AFC West. *Broncos, 21-17.*

Philadelphia (4-4) at Arizona (1-7) The Eagles soothed their psyche with a thrilling, last-seconds victory over Dallas and now travel for another divisional battle against a team they defeated, 13-10, in overtime at home on Oct. 19. When the Eagles are patient with their ground game, they rest their defense and it responds with fresh legs and big plays. The Eagles secondary will be tested: Arizona is the only NFC team with three players with at least 30 catches — Rob Moore and Frank Sanders and Larry Centers. They pass the test. *Eagles, 17-14.*

Detroit (4-4) at Green Bay (6-2) Detroit surprised the Packers with a 26-15 victory on Sept. 28 and did it on the strength of three interceptions of Brett Favre. In fact, the Lions have intercepted Favre 17 times in his career, the most by any team. But Detroit will be hard-pressed to duplicate its victory. First, the Packers are eager after crushing New England on the road last Monday night. Second, Favre and this team excel when being challenged. It is the Packers offense that will win this game. *Packers, 30-20.*

Pittsburgh (6-2) at Kansas City (6-2 The Steelers' coach, Bill Cowher, used to be the Chiefs' defensive coordinator. He has won five straight versus the Chiefs and that means he truly knows the Chiefs personnel and knows the way the Chiefs' coach, Marty Schottenheimer, thinks. The Pittsburgh defense is allowing an AFC-best 2.8 yards per carry. The Kansas City pass defense has 12 interceptions, tied for best in the league. That means Pittsburgh needs to run it and Kansas City needs to throw it. With Jerome Bettis rushing and Kordell Stewart running the show, Pittsburgh continues the frustration for Kansas City. *Steelers, 16-13.*

NFL MATCHUPS

The Canucks' Brian Noonan, right, colliding with the Devils' Kevin Dean.

Devils Pound Canucks

New Jersey Deals Vancouver 5th Straight Loss

The Associated Press

Patrik Elias, Denis Pederson and Petr Sykora scored two goals apiece to lead the suddenly potent New Jersey Devils to an 8-1 victory over the slumping Vancouver Canucks.

Valeri Zelepukin and Bobby Holik also scored on Thursday night, and Doug Gilmour had four assists as the host Devils had their biggest goal-scoring game in five years in sending the Canucks to their fifth straight loss.

Senators 5, Panthers 2 Chris Phillips, the No. 1 draft choice in the 1996 entry draft, scored his first NHL goal and Daniel Alfredsson scored his seventh in seven games as visiting Ottawa beat Florida.

Janne Lankkanen had a goal and an assist and Sergei Zholtok had two assists as the Eastern Conference-leading Senators improved to 8-3-3 with their second straight road victory.

Mighty Ducks 3, Bruins 0 Teemu Selanne scored twice to set a franchise record with goals in six consecutive games, and Guy Hebert earned his first shutout of the season as Anaheim blanked the host Boston.

Hebert stopped 25 shots for his first shutout since Jan. 1, extending Anaheim's unbeaten streak to four games (2-0-2). It was the first shutout of the season against Boston, which is 0-2-1 since returning from a 6-2 West Coast trip.

Islanders 5, Rangers 3 Travis Green and Bryan Berard scored on a five-minute power play to snap a 2-2 tie and help the host Islanders beat the Rangers.

Sergei Nemchinov, Bryan Smolinski and Scott Lachance also scored for the Islanders, who won for the second time in two nights and snapped a six-game winless streak at home against the Rangers (0-5-1).

Blues 2, Avalanche 2 In St. Louis, Grant Fuhr, the goaltender, made 29 saves and also recorded an assist as the Blues extended their home unbeaten streak to eight games with a 2-2 tie against Colorado.

While the Blues had their seven-game winning streak stopped at home, they are 7-0-1 in the Kiel Center over the last eight.

The Blues (10-2-2) have lost only once in their last 13 games and have a four-game unbeaten streak going. St. Louis has not lost at home since a 3-1 defeat by Buffalo on opening night Oct. 1.

Flames 4, Coyotes 2 Tyler Moss, a rookie, turned in a standout performance in goal and Theo Fleury contributed a key goal as host Calgary beat Phoenix.

Moss, 22, a butterfly-style goalie from Ottawa who made his NHL debut earlier this week, anchored the Flames with several dazzling glove saves throughout the game.

But it was Fleury, struggling to regain his status as Calgary's marquee forward, who broke a 2-2 tie midway through the third with his fourth goal of the season. Fleury also added an empty-net goal with 16 seconds left in the game to seal the Flames' victory.

NHL ROUNDUP

Giants' Success Bypasses Injured QB

By Bill Pennington
New York Times Service

EAST RUTHERFORD, New Jersey — Dave Brown watches the Giants win and feels his teammates' joy, even though he knows, for him, it will mean denunciation by association.

"As the team wins, the fingers are pointed at me," Brown said Thursday. "People say the team's won five in a row, and not much has changed except me."

He stands on the sideline of Giants Stadium, about a half-hour from his hometown of Westfield, New Jersey, and he hears the crowd — people like him who grew up Giants fans — chanting "Dan-ny! Dan-ny!" a tribute to the new starting quarterback, Danny Kanell.

"It's very weird," said Brown, who tends to stand impassive and stone-faced on the sideline during games. "It's something no one wants to go through. But Danny's played very well. I really am happy for him. But it's still weird."

Brown's friendship with Kanell is genuine. The two had lunch Thursday after practice, joined by cornerback Jason Sehorn and kicker Brad Daluiso, who said that "Dave and Danny would never get into something like, 'You should do this' or, 'You should try this more.' "

Indeed, Brown, who started 44 consecutive games beginning in 1994, describes his new role with the Giants by saying, "When you're injured, you try to stay out of the way."

Brown said that when his teammates have celebrated after each of their five consecutive victories, he tends to leave the room.

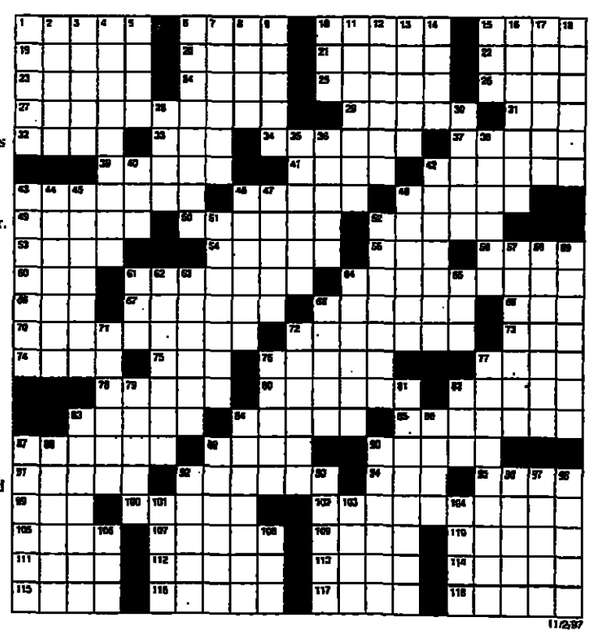
"I'm ecstatic for them," he said. "But you just don't feel a part of it."

Brown, 27, who has not played since aggravating a chest muscle strain near his throwing shoulder against the Dallas Cowboys on Oct. 5, does not harbor any hopes that he will regain his starting job when he heals, which is probably not for two more weeks.

The Giants' coach, Jim Fassel, has said he has not made up his mind about a starting quarterback once Brown becomes healthy, but Brown believes otherwise.

"I think he's made his decision," Brown said. "The team is on a little bit of a roll. I can't see them changing much."

SUIT YOURSELF By Nancy Nicholson Joline



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ACROSS
1 Strikes out
6 Res —— loquitur
10 Drink mixer
15 Actor — Phillips
18 Atlanta institution
20 Biblical kingdom
21 Shade of green
22 Some eagles
23 Burdened
24 Ranch menace
25 Nathan Hale was one
26 "So ——"
27 Ill omen
29 Echolocation device
31 —— Sutcliffe, early Beatle
32 Kind of vaccine
33 Suffix with 20-Across
34 Kind of pigeon
37 Played
39 Got on
41 N.B.A. center Longley and others
42 Nags they're not
43 First golfer to win all four majors
46 Like a March wind
48 Schoolboy collars
49 Command at sea
50 Flourish
52 Astronaut Bean et al.
53 Oktoberfest sight
54 Leaf collectors?
55 Suffix with free
56 One of a watery quintet
60 Sign
61 Powwow
64 Gay Nineties bon vivant
66 "—— cannot wither her": Shak.
67 Cabins and such
68 Tickles
69 "Wow"
70 Comics girlfriend
72 Quiet craft
73 60's chess champ
74 This, to Cervantes
75 Space station supply
76 *Affair*
77 Welles's "The Third Man" role
78 Lets go of
80 Steamboat stops
82 Target
83 F.B.I. storage
84 Creepers
85 Weasels' cousins
87 Lights out
89 Hang
90 Pocahontas's husband
91 Undiminished
92 Yule decorations
94 Skater Midori
95 *Wine choice*
99 Poetic time of day
100 Dentist's instruction
102 Vegas bookings
105 Originator of cutout dresses
107 —— um (gnat)
109 "Picnic" playwright
110 Sole supporter?
111 Padre's brothers
112 Preliminary drudgery
113 Live wire, so to speak
114 Like Pegasus
115 Cheers
116 Kind of organ
117 Goals
118 Cub Sandberg and others

DOWN
1 Wallops
2 Union Pacific terminus
3 Runway sight
4 It may be continental
5 In —— (harmonious)
6 Ineffective
7 Not flat, as hair
8 "The Maltese Falcon" role
9 Ruffle
10 Intimate
11 Needing Dramamine, *maybe*
12 Some synthetics
13 Eager
14 "Jacta est ——" ("The die is cast")
15 Neighbor of Syr.
16 Electra's brother
17 "Welcome aboard" sloganeer
18 Ear ornaments
28 Where Slyne Head is
30 Sell down the river, in a way
35 Best Picture of 1968
36 Ruminates
38 Ceremonial burner
40 Much-discussed drug
42 Hem and haw
43 Gorge
44 Squares accounts
45 Most foul
46 Best Picture of 1995
47 *Splits*
48 Precocious 1955 fictional heroine
51 Plunges
52 Decree
57 E. L. Doctorow best-seller
58 Think tank member
59 Grommets
61 Way of standing
62 Wears off
63 Sarges' superiors
64 Kimberley features
65 Chem. majors degrees
68 Still going
71 Tea
72 A Jackson
76 General Motors' birthplace
77 Strictly speaking
79 Composer Bernstein
81 Overwhelms
82 Woof alternative
83 Jai alai locale
84 They're always thin
86 Loads
87 Kind of contract
88 Marilyn's "Bus Stop" role
89 Transfer
90 Fixed
92 Maine Senator
93 Nasty
96 Milieu for Queer Elizabeth II
97 What a star may stand for
98 —— Park, Colo.
101 Without restraint
103 A party to
104 Bar on wheels
106 Hook shape
108 Scrape (out)

Solution to Puzzle of Oct. 25-26

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Johnson's Lapse: A Story of Charity

Washington Post Service

Vantage Point/THOMAS BOSWELL

WASHINGTON — Last summer, Susan Johnson, the wife of the Orioles' manager, Davey Johnson, walked up the aisle in Camden Yards past the seats where my wife and I were watching an Orioles game. I said hello and she sat down to chat. The chat lasted a couple of hours.

These days, the charity Susan Johnson works for is in the center of a storm involving her husband and the Orioles' owner, Peter Angelos.

Since Davey Johnson ordered that the $10,500 he fined Roberto Alomar last summer to be paid to a charity for which Susan Johnson works, Angelos seems to be using that as a pretext for firing Davey. So, I thought you would like to know what Susan is like.

More than 20 years ago, when she was married to her first husband, Susan Johnson gave birth to a deaf and blind son named Jake. She had German measles and Jake was a rubella baby. That means, besides being unable to see, hear or speak, he also had various other physical and emotional problems. For example, he could never sleep for long and would wake up and wander, with great potential for injury.

"So I slept on the floor outside his bedroom door for 10 years," she said.

By the time Jake was 7, no school would have anything to do with him. Susan and her husband came from modest backgrounds and could not afford any special help. Perhaps in desperation, she developed a system of hanging objects on hooks so Jake could grab them and learn to identify things. Gradually, between the hooks and a method of touching on the arm, Jake learned to communicate with his parents and his younger sister and brother.

"We all call him King Jake," said Susan, "because we realized that the family had to revolve around him."

Next, she formed a school to teach other deaf-and-blind children to communicate using the same system she had devised for her son. These days, Jake lives in Florida, with far more independence than most rubella babies achieve. Like other rubella babies, Jake's health will presumably worsen.

"About every seven years the doctors tell us to expect some new problem," Susan said. "You don't know what form the disease will take. But it won't be good."

Far from being embittered by this experience, Susan Johnson was invigorated by it. You'll never meet a more upbeat person. She tells what could be a horror story with a stream of bizarre or comic anecdotes. She says it was the defining experience in her life and one that she would never trade. She, her children and her former husband all adore Jake, love being around him and think he's a wonderful person.

During all those years when she and her husband could barely make ends meet, Susan says she prayed and promised God that if, somehow, she ever had enough money to be independent, she would devote five years of her life to charity work.

Eventually, Susan divorced, though she says that she and her former husband remain on good terms. Later, she met Davey Johnson. Among their bonds was the fact that Johnson, in his first marriage, had serious medical problems with children, now grown, which he prefers to keep private.

Since she and Davey have been together, Susan has had the freedom to keep her word. She was surprised to discover that the wives of major league players, for the most part, did not, as a group, do charity work. So, in recent years, she has formed a group called Women in Major League Baseball for that purpose.

Susan Johnson also wanted to do local work in Baltimore once Davey became manager of the Orioles. So she and Benjamin Carson, a neurosurgeon at Johns Hopkins Hospital, established the Carson Scholars Fund to help smart children get scholarship money. She is the managing director.

This season, after Roberto Alomar skipped a team function and an exhibition game without notifying his manager or receiving team permission, Davey Johnson fined him $10,500 and instructed him to make the check payable to the Carson Scholars. Johnson's admiration for his wife is deep. On Wednesday, Angelos said Johnson had committed "a serious infraction."

"There was an attempt to utilize fine money that clearly, once imposed, belongs to the Orioles," Angelos said. "That money becomes the property of the ball club, and it is the ball club's decision what to do with it. That is a decision to be made by the Orioles' front office and ownership, not by the manager."

That, perhaps, is the proper technical interpretation one might expect from a lawyer. Mark Maske of The Washington Post got a quotation from Susan this past week about the charity check flap.

Her perspective was, perhaps, what you would expect from a mother who was accustomed to sleeping on the floor outside the bedroom of a deaf and blind child. "Ridiculous," she said.

Soon, however, Davey Johnson probably will be fired or quit as Orioles' manager. That's how Angelos wants it.

"Nobody can figure out why Peter dislikes Davey so much," said one person high in the organization.

Davey and Susan Johnson and their two sets of children probably will live quite happily in some other town, which, fortunately for that community, will get the manager who has the highest career winning percentage in the game.

The Orioles are another question. With Johnson, they probably will go to the World Series next year and win it by 2000. Without him, they probably won't.

هكذا من الأصل

صكناس الاصل

SPORTS

Kuwait Holds Iran to Draw; China Loses

The Associated Press

Kuwait held Iran to a scoreless draw in an Asian Group A World Cup qualifying match Friday in Tehran that was marred by seven yellow cards.

The result left Iran with 12 points and increased second-placed Saudi Arabia's chances of topping the group. Saudi Arabia has 10 points with two games

WORLD CUP QUALIFIERS

left to play. Iran, which came into the match with a 3-2-1 record, dominated most of the time and missed numerous chances to clinch three badly needed points, which would have left it with 14 points, secure at the top of the table.

Kuwait, with 8 points and only one match left — away against China — is virtually out of contention for a berth in next year's finals in France.

More than 120,000 spectators watched the match at the Azadi stadium in Tehran. At the end of the match, fans chanted slogans demanding that coach Mohammed Mayelikohan be fired.

Only the winners of the two Asian groups are assured of qualifying. The runners-up will face off for a third spot, with the loser of the playoff taking on Australia, the Oceania group winner, for a possible fourth berth.

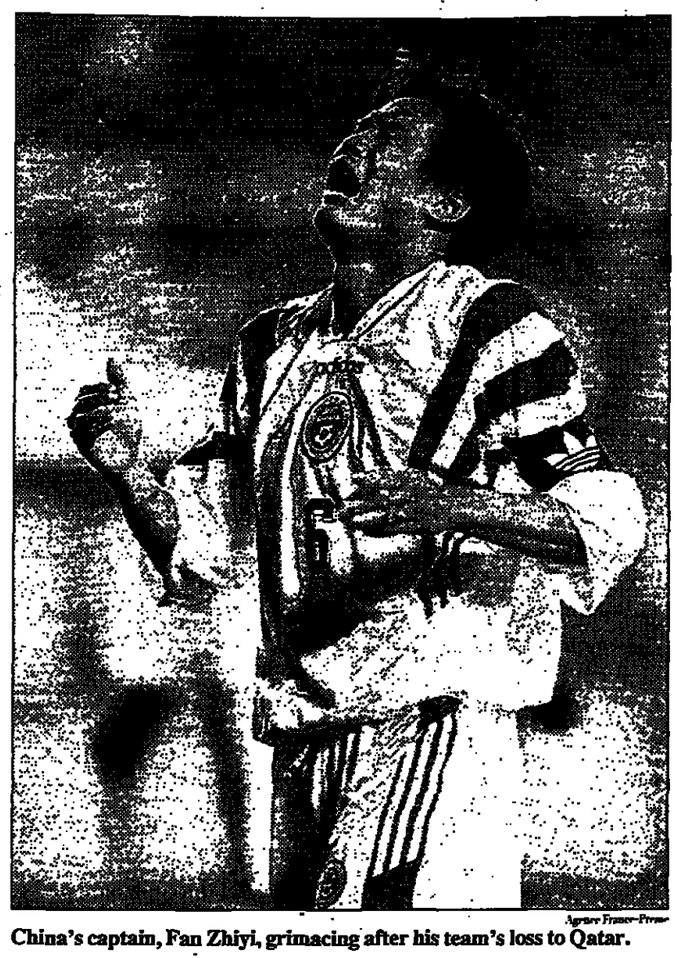
Group B includes leaders South Korea, the United Arab Emirates, Japan, Kazakhstan and Uzbekistan.

Qatar 3, China 2 In Dalian, China, Qatar beat a lackluster Chinese team, 3-2, in a World Cup qualifying match that all but dashed China's hopes of reaching next year's tournament in France.

China scored first, with a header from striker Gao Feng in the 22d minute. But Qatar equalized in injury time, and Mohammed Salem Enazi put the visitors ahead, 2-1, after 10 minutes of the second half. Qatar went up 3-1 in the 60th minute when Zamel Essa Kuwart capitalized on a pass by Chinese midfielder Ma Mingyu just outside the penalty area.

Defender Fan Zhiyi pulled a goal back for China in the 82d minute. But the Chinese were unable to draw level before the final whistle.

"We were not fast in the first half, and in the second we lost our composure," Chinese coach Qi Wusheng said after the match.



Agence France-Presse

China's captain, Fan Zhiyi, grimacing after his team's loss to Qatar.

■ Japan to Play South Korea

Japan and South Korea are to renew their rivalry on the soccer pitch on Saturday in Seoul. Japan must win if it is to qualify for the finals next summer in France, Reuters reported from Seoul.

For NBA Coaches, a Title Talks

By Ric Bucher
Washington Post Service

Once the requisite talent is gathered, the trick to winning a championship in the NBA, whose 1997-98 season began Friday night, is for the coach to get his players to buy into the way he wants them to play, night in and night out. That is easier to do if the coach already has a championship to his credit.

That catch has created a financial windfall for coaches with a title in tow, but quite a few players suggest it's money well spent.

"From what I experienced, when you're in a system and you watch what's going on, you sometimes question what's being done," said San Antonio center Will Perdue, who won three titles with Chicago before joining the Spurs. "But you'll say, 'I don't necessarily agree with this, but this guy has been there, it's worked, I have to go with it.'"

"If you have a coach who has been successful but he hasn't won a championship," Perdue added, "that confidence doesn't last very long. You see where all-stars buck the system because they don't believe the coach can get them there."

Nowhere was such thinking more prevalent than among team owners in the Atlantic Division, which has three new, highly paid coaches this season. Philadelphia hired Larry Brown, who won the 1988 NCAA championship as the coach at Kansas and has turned four NBA teams from lottery teams to playoff participants in one season. The Orlando Magic landed Chuck Daly, who directed the Detroit Pistons to back-to-back NBA titles in the late 1980s. Rick Pitino, who won an NCAA title with Kentucky two years ago and reached the final again last spring, is running the Boston Celtics.

The Indiana Pacers went a similar route in hiring a rookie coach, Larry Bird, who won his NBA titles as a player.

"What it does," said Atlanta Hawks coach Lenny Wilkens, who directed the Seattle SuperSonics to the 1979 title, "is show that you know what it takes to get there." Indeed, there are certain lessons that would be hard to learn any other way.

Wilkens, who leads the league in all-time coaching victories with 1,070, said he realized on the Sonics' march the importance of setting goals for his players, individually and collectively, to keep them from viewing the drive to a title as a single, monstrous undertaking. Setting a goal — but not a limit — for each player in a certain statistical area, as in 10 rebounds a game for center Dikembe Mutombo or five rebounds a night for forward Greg (Cadillac) Anderson, provides an immediate, feasible task and makes each player feel part of the whole. "I try to show my guys how they affect one another in doing their part," Wilkens said.

How well a coach does that can play a bigger part in his success than his grasp of tactics.

"I think the coach's main job is to be able to motivate and get his players to play hard," said Los Angeles Lakers guard Jon Barry. "The X's and O's, everyone knows. The thing a lot of players don't realize is that when you win, everyone gets taken care of. How many people do you think would know Steve Kerr if he played someplace else? But because he plays for the Bulls, he's a household name."

A coach who can see all the little images that make up the big picture also has a perspective that prevents him from losing his composure over any one play, according to Chucky Brown, who now plays for Wilkens after logging time with Daly and winning a championship under Houston coach Rudy Tomjanovich.

"He may not panic in certain situations because he's been in much bigger situations," Brown said.

Washington Wizards coach Bernie Bickerstaff showed his players a tape of the 1977-78 Bullets winning their NBA championship, which he contributed to as an assistant coach, but he said reminding them that he has a ring was not his purpose. "I showed the film, but I did it from a franchise standpoint, to show that there's a history and a tradition here," he said. "You have to get respect on your own. I've never had problems with guys respecting me. You have issues, but if you handle it right the respect will be there."

But it certainly couldn't have hurt for Bickerstaff's team to see that their coach has been a part of a championship team.

"I think it gives the coach instant credibility, especially if it's in recent history," said Denver Nuggets forward LaPhonso Ellis, one of Bickerstaff's former players. "With veterans you have to earn credibility, and that's an outstanding place to start."

Lakers forward Robert Horry believes owners also probably show more patience with a coach who has won a title.

"I think it really helps," Horry said. "Owners think, 'I better leave this guy alone, he must know what he's doing.' And the players say, 'I'm going to listen more, because he's been there.' But I think it has to be recent, because the players and systems have changed so much. Players can do things today they couldn't do a few years ago."

Horry was referring to players being bigger, stronger and faster, but they also wield more influence with the front office. Where such power was once reserved for only the most elite players — Magic Johnson getting Paul Westhead fired or Michael Jordan helping oust Doug Collins — now even a young player such as Penny Hardaway can lead an insurgence to get rid of a coach, as he did with Brian Hill.

That is one reason the top-paid coaches also demand control over personnel. Coaches who haven't won a championship recently need to add players who will follow their program.

"You have a different breed of player, and I think a lot of coaches have realized that," Perdue said. "Look at Pat Riley. From my understanding, I wouldn't say he's softened, but he's changed a little bit. So he goes and gets some veteran players he knows are going to fall in line so they can lead the younger ones."

SCOREBOARD

ICE HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Washington	7	4	1	15	41	31
Philadelphia	7	5	1	15	38	34
New Jersey	7	4	0	14	38	22
N.Y. Islanders	5	5	2	12	36	31
N.Y. Rangers	3	5	5	11	31	34
Florida	3	6	3	9	25	38
Tampa Bay	2	9	2	6	23	43

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Ottawa	8	3	3	19	46	33
Pittsburgh	7	5	2	16	39	35
Boston	7	5	1	15	35	33
Montreal	6	4	2	14	32	25
Carolina	3	7	3	9	31	41
Buffalo	3	7	2	8	28	40

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	10	1	2	22	51	25
St. Louis	10	2	2	22	48	29
Dallas	9	4	1	19	43	31
Phoenix	5	5	2	12	38	35
Toronto	3	6	2	8	24	34
Chicago	3	10	0	6	19	37

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	7	2	5	19	46	35
Anaheim	5	4	4	14	29	31
Los Angeles	4	5	4	12	41	39
Edmonton	5	6	1	11	26	38
San Jose	4	8	0	8	31	39
Calgary	3	8	2	8	35	44
Vancouver	3	8	2	8	27	43

THURSDAY'S RESULTS

Anaheim	1	1 1—3
Boston	0	0 0—0

First Period: A-Selanne 9 (Mironov, Young) (pp). Second Period: A-Pronger 2 (Sandstrom, Young) Third Period: A-Selanne 10 (Sacco, Racchi) Shots on goal: A- 4-11-7—22. B- 6-12-7—25. Goalies: A-Hebert. B-Dafoe.

N.Y. Rangers	2	0 1—3
N.Y. Islanders	1	3 1—5

First Period: Islanders-Nemchinov 2 (Vaska) (sh). 2. Rangers-Sweeney 1 (Berg, Eastwood) 3. Rangers-, Leetch 2 (Gretzky, Sundstrom) Second Period: Islanders-Smolinski 3 (Reichel, Czerkawski) 5. N.Y.-Green 4 (Berard) (pp). 6. N.Y.-Berard 7 (Poiffy, Green) (pp). Third Period: Rangers-Leetch 3 (Eastwood, Langdon) 8. Islanders-Lachance 1, (pp). Shots on goal: N.Y.- 10-6-10—26. N.Y.- 12-13-5—30. Goalies: N.Y.-Richter, Muzzatti. N.Y.-Salo.

Vancouver	0	0 1—1
New Jersey	2	3 3—8

First Period: N.J.-Pederson 1 (Niedermayer, Gilmour) (pp). 2. N.J.-Elias 4 (Dean, Holik) Second Period: N.J.-Zelepukin 1 (Sykora, Niedermayer) 4. N.J.-Elias 5 (Holik) 5. N.J.-Pederson 2 (Gilmour, Oliwa) Third Period: N.J.-Sykora 4 (Pederson, Gilmour) (pp). 7. N.J.-Holik 4 (Elias, Stevens) 8. V-, Messier 3 (Bure, Hedican) 9. N.J.-Sykora 5 (Gilmour) Shots on goal: V- 9-9-5—23. N.J.- 21-13-12—46. Goalies: V-McLean, Irbe. N.J.-Brodeur.

Ottawa	1	2 2—5
Florida	1	0 1—2

First Period: F-Lindsay 3 (Warrener, Jovanovski) 2. O-Phillips 1 (Yashin, Zhaltok) Second Period: O-Dackell 3 (McEachern) 4. O-, Alfredsson 8 (Laukkanen, Kravchuk). Third Period: O-Lambert 3 (Pitlick) 6. O-Laukkanen 3 (Zhaltok, York) (pp). 7. F-Gagner 5. Shots on goal: O- 7-10-16—33. F- 6-5-6—17. Goalies: O-Rhodes. F-Fitzpatrick, Weeks.

Colorado	0	1 1 0—2
St. Louis	1	1 0 0—2

First Period: S.L.-Campbell 3 (Demitra) (pp). Second Period: S.L.-Courtnall 6 (Ducheane, Fuhr) 3. C-Sakic 9 (Lacroix, Deadmarsh) (pp). Third Period—C-Corbet 3 (Lacroix, Foote) Overtime: None. Shots on goal: C- 7-9-14-1—31. S.L.- 14-10-7-4—35. Goalies: C-Roy. S.L.-Fuhr.

Phoenix	1	1 0—2
Calgary	0	2 2—4

First Period: Phoenix, Tocchet 4 (Slaney, Tkachuk) (pp). Second Period: C-Stillman 7 (Fleury, McInnis) (pp). 3. C-McCarthy 1 (Cassels, Dowd) 4. Phoenix, Gartner 2 (Roming) Third Period: C-Fleury 4 (Stillman, Zalapski) (pp). 6. C-Fleury 5 (McInnis, Dowd) (en). Shots on goal: Phoenix 14-9-7—30. C- 11-11-12—34. Goalies: Phoenix, Khabibulin. C-Moss.

CRICKET

NEW ZEALAND TOUR

NEW SOUTH WALES vs. NEW ZEALAND

4-DAY MATCH, 1DAY

FRIDAY IN NEWCASTLE, AUSTRALIA

New South Wales: 281 for three

SOCCER

DUTCH FIRST DIVISION

Roda JC Kerkrade 1, Ajax Amsterdam 1

SOUTH AMERICAN SUPERCUP

GROUP 3

Vasco da Gama 0, River Plate 2

Match abandoned after 70 minutes because of crowd trouble.

STANDINGS: x-River Plate 15 points; Vasco da Gama 10; Santos 7; Racing Club 2.

GROUP 4

Estudiantes 3; Penarol 1

STANDINGS: x-Atletico Nacional 10 points; Estudiantes & Penarol & Gremio 6. x-won semifinal place

SEMIFINALS DRAW

Colo Colo vs. Sao Paulo

River Plate vs. Atletico Nacional

First leg on Nov. 5; return leg Nov. 26.

WORLD CUP

ASIAN ZONE

SECOND ROUND, GROUP A

China 2, Qatar 3

Iran 0, Kuwait 0

STANDINGS: Iran 12 points; Saudi Arabia 10; Kuwait & China 7; Qatar 7.

TRANSITIONS

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

ATLANTA—Waived F Ken Norman. Put G Eldridge Recasner.

CLEVELAND—Signed G-F Wesley Person to contract extension. Waived F Danny Marshall. Put G Tony Dumas and G Greg Graham on injured list.

DETROIT—Waived F Ashraf Amaya. Put G Charles O'Bannon and G Rumeal Robinson on injured list.

GOLDEN STATE—Put G Brian Shaw and F David Vaughn on injured list.

INDIANA—Waived C Todd Lindeman. Put F Austin Crashere. F Derrick McKey and G Haywoode Workman on injured list.

L.A. CLIPPERS—Put G James Collins on injured list.

L.A. LAKERS—Put G Shea Seals on injured list.

MINNESOTA—Waived G Shane Heal and C Matt Fish. Put C Paul Grant, G Micheal Williams and F Bill Curley on injured list.

NEW JERSEY—Put G Steve Henson, F Don MacLean and F Jack Haley on injured list.

NEW YORK—Put F Ronnie Grandison on injured list. Waived G Rick Brunson.

ORLANDO—Put F Johnny Taylor, C Jason Lawson and C Tim Kempton on injured list.

PHILADELPHIA—Put G Anthony Parker, F Marko Milic and F Kebu Stewart on injured list.

PHOENIX—Waived G Stephen Jackson. Put F Tom Chambers and F Loren Meyer on injured list.

PORTLAND—Put F Gary Trent, C Alton Lister and F Dontonio Wingfield on injured list.

SACRAMENTO—Announced retirement of F Lionel Simmons. Put F-G Kevin Gamble, G-F Olivier Saint-Jean and C Kevin Salvadori on injured list.

SAN ANTONIO—Put F Chuck Person and F Charles Smith on injured list.

SEATTLE—Waived G-F Craig Ehlo. Put G James Cotton, F Stephen Howard and G-F Nate McMillan on injured list.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

CHICAGO—Waived LB Dana Howard off injured reserve. Waived G Bill Schultz. Signed DT Tyrone Williams.

INDIANAPOLIS—Put LB Tony Bennett on injured reserve. Signed QB Kerwin Bell.

NEW ENGLAND—Put DE Fernic Collons on injured reserve.

NEW ORLEANS—Re-signed PK Doug Brien to 4-year contract extension. Signed OT Trezelle Jenkins to 1-year contract. Released OG Ed King.

N.Y. JETS—Re-signed NT Ronnie Dixon.

PHILADELPHIA—Put S Charles Emanuel on injured reserve. Re-signed PK Lonny Calcichio.

SEATTLE—Waived QB Gino Torretta. Signed S Eric Stokes from practice squad.

HOCKEY

NATIONAL HOCKEY LEAGUE

CHICAGO—Recalled RW Kevin Miller and C Todd White from Indianapolis, IHL.

FLORIDA—Sent LW Gaetan Poirier to Fort Wayne of IHL.

NEW JERSEY—Put RW Steve Thomas on injured reserve.

PITTSBURGH—Sent G Peter Skudra to Houston of IHL.

VANCOUVER—Sent D Mark Wotton and G Corey Hirsch to Syracuse, AHL. Recalled LW Larry Courville and F Lubomir Vaic from Syracuse.

WASHINGTON—Recalled F Andrew Brunette and F Todd Krygier from Portland, AHL.

TENNIS

PARIS OPEN

FRIDAY IN PARIS

QUARTERFINALS

Yevgeny Kafelnikov (5), Russia, def. Greg Rusedski (4), Britain, 6-4, 3-6, 6-3.

Jonas Bjorkman (12), Sweden def. Richard Krajicek (14), Netherlands, 6-4, 0-1 ret.

Pete Sampras (1), U.S., def. Thomas Muster (8), Austria, 6-1, 4-6, 6-2.

KREMLIN CUP

FRIDAY IN MOSCOW

QUARTERFINALS

Jana Novotna (1), Czech Republic, def Venus Williams, U.S., 7-5, 6-4.

Al Sugiyama, Japan, def. Arantxa Sanchez-Vicario (3), Spain, 6-1, 7-6 (7-1).

Dominique van Roost, Belgium, def. Irina Spirlea (2), Romania, 6-2, 6-4.

Conchita Martinez (4), Spain, def. Sandrine Testud (6), France, 2-6, 6-1, 6-4.

THE WEEK AHEAD

SATURDAY, NOV. 1

AUTO RALLYING, various sites — Rally of Australia, to Nov. 2.

CRICKET, Lahore, Pakistan — Jinnah Cup, Sri Lanka vs. West Indies.

FIGURE SKATING, Gelsenkirchen, Germany — Nations Cup, to Nov. 2.

GOLF, men: Montecastillo, Spain — Volvo Masters; Houston — THE TOUR Championship; Kobe, Japan — Phi-lip Morris Championship; Los Angeles — Ralphs Senior Classic, to Nov. 2. Women: Tsukuba, Japan — Nichirei Internationak all to Nov. 2.

RUGBY LEAGUE, Wembley, England — Super League, Britain vs Australia, first test.

RUGBY UNION, Buenos Aires — Argentina vs Australia, first test, European Cup, quarterfinals playoffs, Brive vs. Pontypridd, Leicester vs. Glasgow, Cardiff vs. Llanelli.

SOCCER, Seoul — World Cup qualifier: South Korea vs. Japan.

TENNIS, women: Moscow — Kremlin Cup, to Nov. 2. Men: Paris — Paris Open, to Nov. 2; Bogota, Colombia — Helmann's Cup, to Nov. 2.

SUNDAY, NOV. 2

ATHLETICS, New York — New York marathon.

CRICKET, Lahore, Pakistan — Jinnah Cup, Pakistan vs. South Africa.

SOCCER, Mexico City — World Cup qualifiers: Mexico vs. United States; United Arab Emirates vs. Uzbekistan.

MONDAY, NOV. 3

CRICKET, Lahore, Pakistan — Jinnah Cup, South Africa vs. West Indies.

SQUASH, Kuala Lumpur, Malaysia — Men's World Open, to Nov. 8.

TENNIS, men: Moscow — Kremlin Cup, to Nov. 9; Stockholm, Sweden — Stockholm Open, to Nov. 9; Santiago, Chile — Heilmann's Cup, to Nov. 9. Women: Chicago — Ameritech Cup, to Nov. 9.

TUESDAY, NOV. 4

CRICKET, Lahore, Pakistan — Jinnah Cup, Pakistan vs. West Indies.

SOCCER, various sites — UEFA Cup, 2d round, return leg: Udinese, Italy, vs. Ajax, Netherlands; Dinamo Tbilisi, Georgia, vs. Braga, Portugal; Karlsruhe, Germany, vs. Metz, France; Liverpool, England, vs. Strasbourg, France; Olympique Lyonnais, France, vs. Inter Milan, Italy; 1860 Munich, Germany, vs. Rapid Vienna, Austria; Croatia Zagreb, Croatia, vs. MTK FC Budapest, Hungary; Valladolid, Spain, vs. Spartak Moscow, Russia; Anderlecht, Belgium, vs. Schalke 04, Germany; Twente Enschede, Netherlands, vs. Aarhus, Denmark; Aston Villa, England, vs. Athletic Bilbao, Spain; OFI Crete, Greece, vs. Auxerre, France; Bastia, France, vs. Steaua Bucharest, Romania; Lazio Rome, Italy, vs. Rotor Volgograd, Russia; PAOK Salonica, Greece, vs. Atletico Madrid, Spain; VfL Bochum, Germany, vs. Club Brugge, Belgium.

WEDNESDAY, NOV. 5

CRICKET, Lahore, Pakistan — Jinnah Cup, Pakistan vs. Sri Lanka.

SOCCER, CONMEBOL Cup, finals, first leg, Lanus, Argentina, vs. Atletico Mineiro, Brazil; South American Super Cup, semifinals, first leg, Colo Colo, Chile, vs. Sao Paulo, Brazil; River Plate, Argentina, vs. Atletico Nacional, Colombia. European Champions League, Fourth rotation: Borussia Dortmund, Germany, vs. Parma, Italy; Galatasaray, Turkey, vs. Sparta Prague, Czech Republic; Feyenoord, Netherlands, vs. Manchester United, England; Juventus, Italy, vs. Kosice, Slovakia; Barcelona, Spain, vs. Dynamo Kiev, Ukraine; Newcastle, England, vs. PSV Eindhoven, Netherlands; FC Porto, Portugal, vs. Rosenborg, Norway; Olympiakos, Greece, vs. Real Madrid, Spain; IFK Goteborg, Sweden, vs. Besiktas, Turkey; Paris Saint Germain, France, vs. Bayern Munich, Germany; Bayer Leverkusen, Germany, vs. Sporting Lisbon, Portugal; Lierse SK, Belgium, vs. AS Monaco, France.

THURSDAY, NOV. 6

CRICKET, Lahore, Pakistan — Jinnah Cup, Sri Lanka vs. South Africa.

GOLF, men: Brasselton, Georgia — Sarazen World Open Championship, to Nov. 9; Lahaina, Hawaii — Kapalua International, to Nov. 9; Myrtle Beach, South Carolina — Energizer Senior Tour Championship, to Nov. 9.

SOCCER, Riadyadh, Saudi Arabia — World Cup qualifier: Saudi Arabia vs. China. European Cup Winners' Cup, 2d round, return Leg: Chelsea, England, vs. Tromso, Norway; VfB Stuttgart, Germany, vs. Germinal Ekeren, Belgium; Kocaelispor, Turkey, vs. Lokomotiv Moscow, Russia; Vicenza, Italy, vs. Shakhtyor Donetsk, Ukraine; Copenhagen, Denmark, vs. Real Betis, Spain; Sturm Graz, Austria, vs. AEK Athens, Greece; Slavia Prague, Czech Republic, vs. Nice, France; Roda JC, Netherlands, vs. NK Primorje, Slovenia.

FRIDAY, NOV. 7

SPEED SKATING, The Hague, Netherlands — men, women, short-track Olympic qualifying, to Nov. 9.

GOLF, women: Otsu, Japan — Toray Japan Queens Cup, to Nov. 9.

SAILING, Bermuda — men, women, Tornado World Championships, to Nov. 14.

CRICKET, Brisbane, Australia — Australia vs. New Zealand, first test, to Nov. 11.

SOCCER Doha, Qatar — World Cup qualifier, Qatar vs. Iran.

SATURDAY, NOV. 8

SOCCER Tokyo — World Cup qualifier Japan vs. Kazakstan.

RUGBY UNION, Buenos Aires, Argentina — Argentina vs. Australia, 1st test; Bologna, Italy — Italy vs. South Africa; Manchester, England — Britain vs. Australia, 2d test.

CRICKET, Lahore, Pakistan — Jinnah Cup, final.

HORSE RACING, Inglewood, California — Breeders' Cup.

SUNDAY, NOV. 9

SOCCER, various sites — World Cup qualifiers; United Arab Emirates vs. South Korea; Canada vs. United States; El Salvador vs. Jamaica; Mexico vs. Costa Rica.

SUMO, Fukuoka, Japan — Kyushu Grand Sumo Tournament, to Nov. 23.

EDUCATION

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Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

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Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: ____ or "_____" (Answers Monday)

Yesterday's Jumbles: GAMUT CRUSH BEHALF ELICIT
Answer: What a haunted house becomes on Halloween — A FRIGHT SITE

DAVE BARRY

Getting an Epic Education

MIAMI — I believe that we parents must encourage our children to become educated, so they can get into a good college that we cannot afford.

I try to help my son, Rob, with his schooling, but over the years this has become more difficult. Back when he was dealing with basic educational issues such as why the sky is blue and what a duck says, I always knew the correct answers ("It doesn't matter" and "Moo").

But when Rob got into the higher grades, he started dealing with complex concepts such as the "hypotenuse," which hadn't been invented yet when I was a student.

So these days I'm useless as an educational resource, except on those rare occasions when Rob is studying a topic I'm familiar with. For example, last year, in history class, he studied The Sixties.

That's right: The Sixties are now considered a historical period, just like the Roman Empire, except that as far as modern kids are concerned, The Sixties featured stupider haircuts. Because I lived through that era, when Rob asked me about it, I was able to give him helpful information.

"What did you do during The Sixties?" he asked.

"None of your business," I informed him.

Other than that, my main contribution to his education is to provide encouragement. For example, the other day I asked him if he had any homework, and he told me he had to read "Beowulf."

"Yuck!" I said, encouragingly. I was exposed to "Beowulf" when I was a student. If my memory serves me correctly (and I believe it does, because I am copying this directly from the encyclopedia) "Beowulf" is an Old English epic poem concerning a hero who freed the court of the Danish king Hrothgar from the ravages of the ogre Grendel and Grendel's mother and thus became king of the Geats.

This raises some questions, including: Who are "the Geats"? And why would anybody want to be king of them? I mean, the word "Geat" sounds like an insult, doesn't it? As in: "Some stupid Geat put salami in the disk drive!" (Let me just state, before I get a bunch of hate mail, that I myself am two-thirds Geatish.)

My point is that I have never been a huge fan of "Beowulf," or epic poems in general. "Epic," in my opinion, is a code word that English teachers use for "boring," the same way they use "satirical" when they mean "you will not laugh once."

Nevertheless I stressed to Rob that he should make this homework his absolute highest priority, allowing nothing to come ahead of it, but that first we would go out for Italian food. I like to do this with Rob because he always orders pizza, which I am not allowed to eat because it contains cholesterol, but it is a scientific fact that your body will not absorb cholesterol if you take it from another person's plate.

Rob drove us to the restaurant. I like to let him drive because it improves my circulation by causing my heart to beat 175,000 times per minute, although this particular trip was fairly relaxing right up until Rob made the rookie error of actually stopping at a red light, rather than accelerating through it as is customary in Miami, the result being that we were rammed by the car behind us. The other driver, as required by local law, was uninsured and spoke no English.

> **'Epic' is a code word that English teachers use for 'boring.'**

This gave us an educational opportunity to brush up on our Spanish by engaging in a dialogue with the other driver, which went like this:

US (pointing at the light): Rojo! ("Red!")

OTHER DRIVER: No! Amarillo! ("No! Yellow!")

US: Like heck-o! ("We disagree!")

OTHER DRIVER: Que son? Guitos? ("What are you? Geats?")

It took two hours and two police officers to sort it out, with the outcome being that the other driver received a ticket-o. Fortunately, my car sustained only superficial damage, which I'm sure at today's bodywork prices can be repaired for no more than it would cost to purchase the entire contents of the Louvre at retail.

Because of this delay, we were late getting back from the restaurant, but Rob still would have had time to do his homework, except that — this is true — the police had set up roadblocks around our neighborhood and were not letting anybody in. An officer told us there had been several reports of shots fired, and police were going house-to-house with dogs. I was concerned about this, but Rob took it well; I think he was hoping that one of the dogs would eat his copy of "Beowulf."

The police never found the source of the shots (it was probably just some innocent thing — perhaps a neighbor who couldn't locate his remote control and decided to turn off his TV with his AK-47). But we had to wait at the roadblock for over an hour, which meant that Rob did not start reading "Beowulf" until after midnight. So basically, this entire column is really just a note to his English teacher to say: Please excuse Rob if he was unprepared. And I hope you were not offended by my tone. It's satirical.

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Merchant Ivory on Growing Up in France

International Herald Tribune

PARIS — One of the themes of Merchant Ivory films is conformity or, more accurately, the people who cannot conform, whether it be Lucy Honeychurch's marriage in "A Room With a View" or the adolescents in "A Soldier's Daughter Never Cries," which they are shooting now in Paris with a script by Ivory and Erin Uday based on the novel by Kaylie Jones.

Jones is the daughter of the Paris-based American novelist James Jones and the story is about a young girl and her adopted French brother growing up on the Ile Saint-Louis and then, when

MARY BLUME

their writer father's health fails because of congenital heart disease, in Sagaponack, Long Island, among the potato fields that gave their house its name, Chatean Spud.

The parents are played by Barbara Hershey and Kris Kristofferson, with Jane Birkin as a student's mother and the French actress Dominique Blanc as a Portuguese maid. The budget is under $8 million, the time is the '60s and '70s, and the story is both uneventful and momentous, as children's lives tend to be.

The day's shooting was at a private school, the Ecole Active Bilingue on the edge of the Parc Monceau, where children of many nations were being initiated into the obscure rites of Halloween. Between shots James Ivory was chatting on a park bench appropriately surrounded by greensward, lawns being a major feature of many Merchant Ivory films, and remembering the American family with four children whom he used to visit in Paris in the '60s while making his early films in India.

"My interest in Franco-American children came from that friendship," he said. He had first read the Jones novel in 1991 when he was working on "Howard's End." The kinds of conformity he is dealing with here are the inflexible demands for correct behavior of French schools and, in the American scenes, peer pressure that is equally harsh. Just as in "Mr. and Mrs. Bridge" (1990) he dealt for the first time with his younger years in Oregon, so in this film he is reminded of what it was like to be thought an oddball and how important it was both to be unique and part of a clique.

There were the clothes — he fancied plaid shoelaces for a while — and the hair. "I bleached my hair and then I turned it green. They didn't have chemical colors in those days but if you rubbed carbon paper in your yellow hair it made it green."

White-haired now and quietly ironic, Ivory is a director of exceptional efficiency and calm who will mention a crucial power failure during a complicated scene on a Paris bus as others might mention a passing cloud. He attributes his calm to his early days of hectic shooting in India, just as the fact that he worked with Satyajit Ray's key crew and that Ray himself from friendship edited Ivory's first feature, "The Householder," taught him more about movie-making than he had learned at film school.

"The Householder," in 1961, marked the first collaboration of the now indelible team of Ivory, the Bombay-born producer Ismail Merchant and the German-Indian writer Ruth Prawer Jhabvala who, it is said, has been called the Jane Austen of India until she could scream. The team has offices in Bombay, New York, Paris and London and while rootless ("We are a wandering troupe," says Merchant) is as close-knit as Ingmar Bergman's company was, and has a low-budget no nonsense approach that recalls oldtime contract directors and producers, except that their only contract is with themselves.

Merchant is ebullient and volatile and eager to talk about art, Ivory is perfectly comfortable talking about money. By the 1990s when their stately adaptations of literary classics had spawned so many imitations that a dismayed critic in The New Yorker wrote, "We live in the age of Merchant Ivory," they had become both honored and scorned. When they became involved with Disney for "Jefferson in Paris" (1995) they were accused of selling out.

"Whenever we have been associated with Hollywood it's worked well," Ivory said, "They've never changed the script or pressed us to hire an inappropriate lead. But the more expensive our films become, the more they are seen as targets. People write that we've lost our true way but they don't tell you what the true way is. If it meant the films that cost $200,000 and were made in India, I doubt that they've ever even seen those films."

Possibly not, although there are Merchant Ivory retrospectives these days, and a coffee table book called "The Films of Merchant Ivory," to say nothing of one called "Merchant Ivory's English Landscape" and "Ismail Merchant's Florence." The team's 35th anniversary was celebrated in Carnegie Hall and they are the first filmmakers to hang in the National Portrait Gallery in London.

Seth Rubin

James Ivory setting up a scene for "A Soldier's Daughter Never Cries."

"I'm in the middle, looking like Simon Legree," Ivory said, "ferocious, red-faced, tyrannical. Ruth looks a little sad and Ismail is out of his usual mode of roaring and stamping. He is a *philosophe*, that's all you can say, pensive and inward looking and completely different from the Ismail people know. Friends of mine say Good Lord but I thought it looked great and I'm happy to be hanging there."

The trio is most celebrated for its adaptations of novels by E. M. Forster and Henry James. While back in 1975 Ivory, about to start the first of the series with James's "The Europeans," said he doubted he would ever become a popular director, he has been proved wrong. Popularity has its obverse side and their films have also been found bloodless and genteel, too prettified, too self-consciously "period."

"Well, all that was really started by the English," Ivory said evenly. "Those are what they call heritage films, anything set in the past is a heritage film to them. I don't know what they really want to see, certainly in all the years we were making those films they never really supported their greatest director, Mike Leigh. He's become famous because of his success in foreign countries and now they accept him at home."

Ivory points out that in their younger days they made a lot of contemporary films and he regards "A Soldier's Daughter Never Cries," set in the near past, as contemporary.

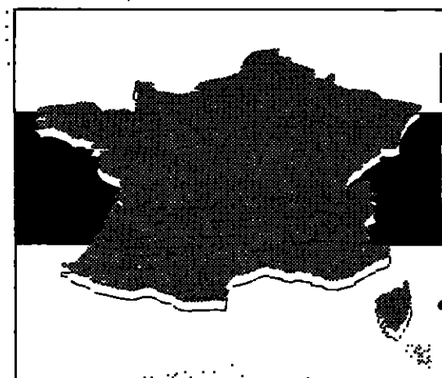
"I have a new definition of the present: anything that's happened since the youth of my parents is the present for me." His parents married in 1921 and he was born in 1928. Whatever the period, he says their films present certain themes.

"There is the whole idea of conformity. Another theme that we keep coming back to is the power of a highly unscrupulous, somewhat mythological man in our sort of guru tales. And then where Ruth Jhabvala's concerned, again and again we've had women in the hands of very dubious men and how they strike out and somehow succeed. I think we tell these stories over and over again, no matter when they're set."

Their next project is Henry James's daunting "The Golden Bowl" which Merchant says will conclude a James trilogy to balance their Forster trilogy. "Everything comes together in this novel for James and for us — the mixture of nationalities, love in life and the objects of desire."

Ivory faces the intensely complex text and James's own resistance to posthumous adaptation ("My sole wish is to frustrate as utterly as possible the postmortem exploiter") with his usual calm. "I was scared, I guess, by doing 'The Europeans' so I should be by 'The Golden Bowl.' But I see others have done 'The Portrait of a Lady' and 'The Wings of the Dove' so I don't see why we should worry."

And were they to have a huge budget in the present Hollywood style? "I wouldn't know what to do with it," Merchant lied cheerfully. Ivory didn't hesitate: "I am sure I would find a way to spend it."



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PEOPLE

DO ghosts haunt the White House? Some people think so, especially at Halloween. "There are, from time to time, reports that the White House is haunted," the White House spokesman, Michael McCurry, told reporters a day before the annual holiday. He said the hauntings were said to include "mysterious appearances of figures from history," and that there were "tales and legends of a former White House usher, now dead, who appears from time to time." Stories about White House ghosts are legendary. Many of them revolve around President **Abraham Lincoln**, who lost a son while living there and was assassinated. Legend has it that **Winston Churchill** would not sleep in the Lincoln bedroom because it was haunted.

□

Does John Gotti have more talent than **Muhammad Ali, Wilt Chamberlain** and **Clint Eastwood**? A pencil sketch of a roaring lion's head whipped up by the reputed boss of New York's Gambino crime family won the highest bid at an auction of celebrity doodles. "There is no doubt it was drawn by Gotti. He obviously has some talent," said **Ezra Krieg**, associate director of the Daily Bread Food Bank, which raised $23,000 for the hungry and homeless during the 7th Annual Celebrity Doodle Art Auction in Miami Beach. A Miami collector made the winning bid for Gotti's drawing, surpassing offers for doodles by Ali, Cher, Eastwood, Chamberlain, **Bob Hope, Steve Martin, John Travolta** and more than 100 other celebrities.

□

It took fathering 13 children by his two wives and three mistresses to teach **Anthony Quinn** the value of monogamy. "I certainly feel that I am a monogamous character, believe it or not, after being married to several wives," the 82-year-old actor said in an interview with WPRO-AM radio in East Providence, Rhode Island. "I wish in my life that I had only been married once." One of his former mistresses, **Kathy Bevins**, is his current wife. With her, Quinn said, "I could live a monogamous existence."

□

Can't get enough of **Celine Dion**? Hang on, help is coming. By the time her new album, "Let's Talk About Love," goes on sale Nov. 18, there will be five biographies of the Canadian-born singer on the stands. The only endorsed account is by Georges-Hebert Germain, a family friend. "What makes me sad and what hurts me the most is not what people say about me that's not true," Dion said. "It's when they talk about my friends and my family, they put doubts in everybody's mind." Her new album also features **Barbra Streisand**, the **Bee Gees** and **Luciano Pavarotti**.

Universal Pictorial Press

Sir Hardy Amies has harsh words for British designers.

□

James Brady knows what he's talking about when he urges people with brain injuries to persevere. After the former presidential press secretary was shot during a 1981 assassination attempt against President **Ronald Reagan**, doctors told him there was no cure, Brady told The Flint Journal. Instead, Brady said, his neurosurgeon offered hope by saying that "every day longer that you live on the earth, you will get better." Brady, who campaigns for gun control, was in Flint, Michigan, to speak at a Brain Injury Association conference. He uses a wheelchair, and the left side of his body does not work.

□

Sir Hardy Amies, dressmaker to **Queen Elizabeth**, berated top British designers in Paris fashion houses and said their clothes looked like castoffs from the Folies Bergeres. The 88-year-old couturier said the haute couture outfits were flashy and unwearable "publicity devices" designed to promote brand-name stockings and scents. "Consider the much-hyped British designers **John Galliano** and **Alexander McQueen**. The results are terrible," Amies wrote in the Spectator magazine. Amies has worked for more than half a century in London's Savile Row, building up a fashion empire with his royal warrant to dress the queen. He first fitted dresses for her in 1951 when she was a young princess. He says of his most famous client: "She knows exactly what she wants. She wants her clothes to be friendly."

□

For sale: The former house of **O. J. Simpson** in Brentwood. Simpson's old home, on the market at $3.95 million, is being turned over to agents who will show the estate by appointment only, to qualified buyers. But the house will also be seen on U.S. television next week as more than a dozen film crews tour the seven-bedroom, 6,000-square-foot (540-square-meter) house in one of Los Angeles's toniest neighborhoods. Simpson lost the house after a bank instituted foreclosure proceedings against him for missing more than $86,000 in mortgage payments.

□

The rock group **REM** announced that its drummer, **Bill Berry**, had left the band. Berry, who suffered a brain aneurysm in 1995 but continued touring and recording with the band, said that his decision was based on personal, not medical reasons. His "fire of enthusiasm wasn't burning as brightly as the other guys," Berry, 39, told the Los Angeles Times. He added that he was extremely relieved when the band said it would continue without him. The lead singer, **Michael Stipe**, said that he was "really in shock," but that the band was supporting Berry's decision.

Seeking a Monumental Polka Player

The Associated Press

MILWAUKEE — If there's one thing Milwaukee and the world of polka needs, it's a huge statue of a polka player complete with high-speed elevators, an observation deck and lasers.

Or so John Pinter believes.

Pinter, vice president of the Polka Hall of Fame, sent letters to Mayor John Norquist and Milwaukee festival officials suggesting the monument be built on a Lake Michigan island just off the city's Summerfest grounds.

He envisions a mammoth statue, a polka player 20 to 30 stories tall, topped by lasers "with enough power to be seen a score of miles away across Lake Michigan," Pinter said.

"It would be the epitome of the polka world," he said. "It would make Milwaukee a household word around the world." It also would contain the offices of the Wisconsin Polka Hall of Fame, with space for shops, restaurants and a museum.

A mayoral spokesman, Jeff Fleming, said the discussion "would have to take place between Summerfest and the polka people."